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96th Congress
1st Session

COMMITTEE PRINT

96/1

MINUTES

OF THE

BUSINESS MEETINGS AND HEARINGS

OF THE

COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES

(Pursuant to Committee Rule IVf)

PART 2

DECEMBER 29, 1979.—Printed for the use of the Committee on Agriculture

96th Congress
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COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES

(Pursuant to Committee Rule IVf)

PART 2

DECEMBER 29, 1979.—Printed for the use of the Committee on Agriculture

U.S. GOVERNMENT PRINTING OFFICE
56-383 O WASHINGTON : 1979

COMMITTEE ON AGRICULTURE

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Vice Chairman
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ED JONES, Tennessee
DAWSON MATHIS, Georgia
GEORGE E. BROWN, JR., California
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FOWLER C. WEST, *Staff Director*
ROBERT M. BOR, *Chief Counsel*
JOHN E. HOGAN, *Counsel*
JOHN R. KRAMER, *Special Counsel*

Rule IVf of the Committee on Agriculture, House of Representatives, requires that the minutes of business meetings and hearings be published on a periodic basis.

In compliance with that rule, the minutes of business meetings and hearings from July 10, 1979, through December 29, 1979, are contained in this committee print.

The committee rule follows:

f. *Publication of Minutes.*—The Chairman of the Committee, in consultation with the Ranking Minority Member, shall cause to be published as a Committee Print on a periodic basis (and insofar as practicable on a semiannual basis) the minutes of all business meetings and hearings of the Committee and any of its Subcommittees and such minutes shall include a record of the attendance of members, all recorded votes and the action on all amendments and motions relating to legislation.

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U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, July 10, 1979

(Sub) Committee on Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: Agricultural Bargaining Act

Bill Nos. H.R. 3535

The Domestic Marketing, Consumer Relations, and Nutrition (Sub) Committee met in open Session at 9:40 a.m. o'clock, in Room 1302 LHOB

The following Members were present:

Mr. Richmond	Mr. Symms	Mr.
Mr. Panetta	Mr. Heckler	Mr.
Mr. Nolan	Mr. Grassley	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Harkin	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Bernard Brenner, Press Secretary
Bob Franks, Assistant Counsel
Gary Norton, Assistant Counsel
Jim Culver, Staff Assistant
Joe Crapa, Subcommittee Staff Director
Glenda Knight, Staff Assistant
Jerry Jorgensen, Staff Assistant
Linda Miller, Staff Assistant
Frank Winston, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Panel:
   Mr. John Scott, President, The National Grange, Washington, D.C.
   Mr. John Datt, Secretary, American Farm Bureau Federation, Washington, D.C.
   Mr. Tony Dechant, President, National Farmers Union, Washington, D.C.
   Mr. Kenneth D. Naden, President, National Council of Farmer Cooperatives

2. Panel:
   Mr. Willis Rowell, Assistant to the President, National Farmers Organization, Washington, D.C
   accompanied by: Mr. Walter Hackney, Director, Livestock Department
   Mr. Ed Graf, Director, Dairy Department
   Mr. Charles Frazier, Director, Washington Office

3. Mr. Noel W. Stuckman, General Manager, Michigan Agricultural Cooperative Marketing Association, Lansing, Michigan.

4. Mr. Jack Hayes, Vice President, California Tomato Growers Association, Stockton, Calif.

5. Mr. Orlo Carver, Idaho Farm Bureau Marketing Association, Pocatello, Idaho.

6. Mr. Jack Ashley, Agricultural Bargaining Council, Presque Isle, Maine

7. Mr. Charles C. Kingston, Musselman Fruit Products, Pet Incorporated, Biglerville, Pa.

Statements Filed:

1. Mr. Tony Dechant, President, National Farmers Union
2. Mr. Walter Hackney, Livestock Department, National Farmers Organization
3. Mr. Jack Hayes, Vice President, California Tomato Growers Association
4. Mr. Gary T. Knisely, Counsel, Musselman Fruit Products, Pet Incorporated.

Tuesday, July 10, 1979
Subcommittee on Domestic Marketing,
Consumer Relations, and Nutrition
Public Hearing
Agricultural Bargaining Act

Acting chairman Panetta called the meeting to order and made a brief opening statement.

The witnesses listed on page two were recognized to present their prepared testimony and answer questions from Members of the Subcommittee.

The meeting was adjourned at 12:35 to reconvene at 9:30 a.m. on July 11 to hear further testimony on the Agricultural Bargaining Act.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, July 10, 1979

(Sub) Committee Department Investigations, Oversight, and Research

Meeting: Public Hearing

Subject: Implementation by USDA of sugar program

Bill Nos.

The ~~Department Investigations, Oversight, and Research~~ (Sub) Committee met in open Session at 2:00 o'clock, in Room 1301.

The following Members were present:

		Members Also Present:
Mr. de la Garza	Mr.	Mr. Huckaby
Mr. Fithian	Mr.	Mr. Anthony
Mr. Glickman	Mr.	Mr. Akaka
Mr. Wampler	Mr.	Mr.
Mr. Heckler	Mr.	Mr.
Mr. Grassley	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Fowler C. West, Staff Director
John Hogan, Counsel
Gary Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Linda Miller, Staff Assistant

Witnesses:

1. Honorable Bob Bergland, Secretary of Agriculture, United States Department of Agriculture, Washington, D.C.

   Acc. by: Mr. Howard Hjort, Director, Budget, Planning and Evaluation, USDA.

   Mr. Bill Motes, Associate Director, Budget, Planning and Evaluation, USDA.

Statements Filed:

None

Tuesday, July 10, 1979
Department Investigations, Oversight,
and Research Subcommittee
Public Hearing
Implementation by USDA of sugar
program

Chairman de la Garza called the meeting to order and Secretary Bergland discussed a series of measures the USDA has taken to implement the 1979 domestic sugar program. Following his statement, the Secretary was questioned by the Members attending the hearing.

At 3:20 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date July 10, 1979 -- morning

~~(Sub)~~ Committee on Agriculture and Committee on Foreign Affairs

Meeting: Joint Public Hearing

Subject: Food Security Act of 1979

Bill Nos. H.R. 4489 and related bills

The Agriculture and Foreign Affairs ~~(Sub)~~ Committee s met in joint public hearing Session at 10:15 a.m. o'clock, in Room 2172 RHOB

The following Members were present:

		Foreign Affairs
Mr. de la Garza	Mr. Wampler	Mr. Zablocki
Mr. Bedell	Mr. Sebelius	Mr. Fascell
Mr. Fithian	Mr. Findley	Mr. Hamilton
Mr. Glickman	Mr. Madigan	Mr. Bingham
Mr. Coelho	Mr. Grassley	Mr. Pease
Mr. Stenholm	Mr. Marlenee	Mr. Wolpe
Mr. Foley	Mr.	Mr. Fithian
Mr.	Mr.	Mr. Findley
Mr.	Mr.	Mr. Winn
Mr.	Mr.	Mr. Gilman
Mr.	Mr.	Mr. Lagomarsino
Mr.	Mr.	Mr. Pritchard
Mr.	Mr.	Mr. S. Fenwick
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Gene Moos, Analyst
Christine Abram, Staff Assistant
Claude Freeman, Subcommittee Staff Consultant
Fowler C. West, Staff Director
Bernard Brenner, Press Secretary

Witnesses:

1. Honorable Bob Bergland, Secretary of Agriculture
2. Honorable Dale Hathaway, Undersecretary of Agriculture for International Affairs and Commodity Programs

Statements Filed:

July 10, 1979 -- morning session
Full Committee and Committee on Foreign Affairs
Joint Public Hearings
Food Security Act of 1979
H.R. 4489 and related bills

Chairman Zablocki opened the hearings at 10:15 a.m., but turned the Chair over to Chairman Foley upon his arrival at 10:25.

The Committees heard and questioned the witnesses listed on page 2 of these Minutes.

The hearing recessed at 12:15 p.m. until 2:00 p.m. the same afternoon.

Christine Abram
Staff Assistant

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date July 10, 1979 -- afternoon

~~(Sub)~~ Committee on Agriculture and Committee on Foreign Affairs

Meeting: Joint Public Hearing

Subject: Food Security Act of 1979

Bill Nos. H.R. 4489 and related bills

The Agriculture and Foreign Affairs ~~(Sub)~~ Committee s met in joint public hearing Session at 2:15 p.m. o'clock, in Room 2172 RHOB

The following Members were present:

		Foreign Affairs
Mr. Daschle	Mr. Sebelius	Mr. Zablocki
Mr. Hance	Mr. Johnson	Mr. Buchanan
Mr. Stenholm	Mr. Madigan	Mr.s. Fenwick
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Gene Moos, Analyst
Christine Abram, Staff Assistant
Claude Freeman, Subcommittee Staff Consultant

Witnesses:

1. Honorable Benjamin A. Gilman, Member of Congress from New York
2. Honorable Matthew F. McHugh, Member of Congress from New York
3. Mr. Brennon Jones, Bread for the World, New York, New York
4. Dr. George Chauncey, Chairman, Interreligious Taskforce on U.S. Food Policy, Washington, D.C.

Statements Filed:

July 10, 1979 -- afternoon session
Full Committee and Committee on Foreign Affairs
Joint Public Hearings
Food Security Act of 1979
H.R. 4489 and related bills

Congressman Daschle assumed the Chair at 2:15 p.m. to convene the hearing.

The Committees heard and questioned the witnesses listed on page 2 of these Minutes.

The Chair adjourned the hearing at 3:30 p.m.

Christine D. Abram

Christine Abram
Staff Assistant

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, July 11, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: National Aquaculture Act of 1979

Bill Nos. H.R. 20

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr. Coelho	Mr. Wampler
Mr. de la Garza	Mr. Daschle	Mr. Sebelius
Mr. Jones (Tenn.)	Mr. Hance	Mr. Findley
Mr. Bowen	Mr. Anthony	Mr. Symms
Mr. Rose	Mr. Stenholm	Mr. Johnson
Mr. Nolan	Mr.	Mr. Madigan
Mr. Weaver	Mr.	Mrs Heckler
Mr. Baldus	Mr.	Mr. Kelly
Mr. Harkin	Mr.	Mr. Grassley
Mr. Bedell	Mr.	Mr. Hagedorn
Mr. English	Mr.	Mr. Coleman
Mr. Fithian	Mr.	Mr. Marlenee
Mr. Panetta	Mr.	Mr. Hopkins
Mr. Huckaby	Mr.	Mr. Thomas
Mr. Glickman	Mr.	
Mr. Whitley	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Bob Franks, Assistant Counsel
Gary L. Norton, Assistant Counsel
Glenda Temple, Clerk

56-383 O - 80 - 2

Witnesses:

None

Statements Filed:

None

Wednesday, July 11, 1979
Full Committee
Business Meeting
National Aquaculture Act of 1979
H.R. 20

Action Taken:

-- de la Garza motion to discharge Subcommittees from further consideration of H.R. 20 approved by unanimous voice vote.

-- Without objection de la Garza substitute amendment to H.R. 20 adopted.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1.	Mr. de la Garza	14.	Mr. Thomas
2.	Mr. Jones (Tenn.)	15.	Mr. Foley
3.	Mr. Bowen	16.	Mr. Rose
4.	Mr. Bedell	17.	Mr. Baldus
5.	Mr. Enlgish	18.	Mr. Glickman
6.	Mr. Fithian	19.	Mr. Hance
7.	Mr. Coelho	20.	Mr. Wampler
8.	Mr. Daschle	21.	Mr. Panetta
9.	Mr. Sebelius	22.	Mr. Symms
10.	Mr. Kelly	23.	Mr. Marlenee
11.	Mr. Grassley	24.	Mr. Madigan
12.	Mr. Hagedorn	25.	Mr. Nolan
13.	Mr. Hopkins	26.	Mr. Whitley

Twenty-six Members having responded a quorum was established.

Mr. de la Garza was recognized for a motion to discharge the Subcommittees on Conservation and Credit and Department Investigations, Oversight, and Research from further consideration of the bill, H.R. 20, the National Aquaculture Act of 1979. By a unanimous voice vote the motion was agreed to.

Acting Chairman de la Garza explained the purpose of the pending legislation. Counsel Imhof was recognized to explain the provisions of the bill.

Mr. de la Garza offered the attached substitute amendment which had been agreed to by the Department. Discussion occurred and without objection the substitute amendment was adopted.

Wednesday, July 11, 1979
Full Committee
Business Meeting
National Aquaculture Act of 1979
H.R. 20

The question occurred on reporting H.R. 20, as amended, to the House and by a voice vote the motion was agreed to. Mr. Bedell requested a recorded vote and there was no objection to taking a recorded vote. The first call of the roll was completed when a pending vote on the House floor caused the Committee to adjourn (See minutes of July 11 - p.m. for vote). At 12:00 noon the meeting was adjourned, to reconvene at 2:00 p.m. this date at which time the pending business will be a continuation of the recorded vote on reporting H.R. 20, as amended, and consideration of H.R. 4119. During the proceedings one recess was taken at 11:00 a.m. to enable Members to respond to a recorded vote on the House floor.

Glenda Temple

SYNOPSIS OF H.R. 20, THE NATIONAL AQUACULTURE ACT OF 1979 (reported favorably by the Committee on Merchant Marine and Fisheries - May 15, 1979) AND OF AN AMENDMENT IN THE NATURE OF A SUBSTITUTE PROPOSED BY THE ADMINISTRATION

In broad outline, H.R. 20 would require the Secretary of Commerce to undertake a continuing assessment of aquaculture in the United States and within 18 months after date of enactment to establish by regulation a National Aquaculture Plan. The Plan would include research, development, technical assistance and demonstration programs as needed for each aquatic species determined to have significant potential for culturing on a commercial or other basis. The Secretary of Commerce would be empowered to assign responsibilities to the Secretaries of Agriculture and Interior according to their statutory authority or expertise.

The Secretary of Commerce would also be empowered to guarantee up to 90 percent of loans for aquaculture facilities and stock (up to an aggregate amount of $150 million) and, where private insurance is not available at reasonable rates, to offer insurance covering liability, property damage, and aquatic stock (up to an aggregate amount of $125 million). Both the guaranteed loan and insurance programs would be operated out of a revolving Federal Aquaculture Assistance Fund established in the U.S. Treasury.

The Secretaries of Commerce, Agriculture, and Interior would each be authorized to carry out their responsibilities by contract or grant and to make grants for demonstration projects. All grants would be on a 50-50 matching basis.

The bill establishes an Interagency Aquaculture Coordinating Committee chaired by the Secretary of Commerce and including the Secretaries of Agriculture, Interior, and Energy, the Administrators of E.P.A. and S.B.A., the Commissioner of Food and Drugs, the Chief of Engineers, and the Governor of the Farm Credit Administration.

The Secretary of Commerce is required to establish a national information center to facilitate domestic and international exchange of aquaculture information, and beginning in 1981, to submit to Congress a biennial report on the status of U.S. aquaculture.

With the exception of the guaranteed loan program for which no time limit is specified, H.R. 20 is a three year bill. To carry out their responsibilities under the National Plan, aggregate appropriations of $65 million are authorized for fiscal years 1980, 1981, and 1982 (Commerce, $39 million; Agriculture, $13 million; and Interior, $13 million). The bill authorizes appropriation to the revolving Fund of such sums as are necessary to carry out the guaranteed loan and insurance

programs, and requires that all premiums, fees, charges, or gifts received by the Government under the bill be deposited in the Fund. Nothing in the bill would affect the existing authority of any Federal agency.

H.R. 20 is substantially similar to H.R. 9370 which was passed by the Congress last year but vetoed by the President. H.R. 20 differs essentially from last year's bill in that in H.R. 20 the ceilings on the guaranteed loan and insurance programs have been cut in half and direction of the national aquaculture effort is entrusted to the Secretary of Commerce rather than rotated every two years among the Secretaries of Commerce, Agriculture, and Interior. In his veto message, the President expressed support for the purpose of the bill but objected to the broad new financial and technical assistance programs for which in his view no need had been established. He also viewed the bill as unnecessary in view of the many existing Federal aquaculture programs which were being coordinated by the Interagency Subcommittee on Aquaculture of the Federal Council on Science, Engineering, and Technology.

At a joint hearing of the Subcommittee on Department Investigations, Oversight and Research and the Subcommittee on Conservation and Credit last month, the Departments of Agriculture, Commerce, and Interior testified on behalf of

the Administration in opposition to H.R. 20 in its present form. However, they expressed Administration support for and have submitted to the Committee a simple bill which would recognize and lend statutory support to ongoing Federal aquaculture research, technical assistance, and coordination efforts. That bill is before the Members in the form of an amendment in the nature of a substitute.

The amendment does not include provision for a Federal guaranteed loan program, insurance program, or revolving Fund. It includes most of the balance of H.R. 20 except that the National Aquaculture Plan and implementing activities would be developed and carried out jointly by the Secretaries of Agriculture, Commerce, and Interior subject to coordination by the Joint Subcommittee on Aquaculture of the Federal Council on Science, Engineering, and Technology. The Subcommittee would include representatives of the Secretaries of Agriculture, Commerce, Interior, Energy, and H.E.W., the Administrators of A.I.D., E.P.A., and S.B.A., the Chairman of T.V.A., the Director of N.S.F., the Chief of Engineers, and the Governor of the Farm Credit Administration. The chairmanship of the Joint Subcommittee would be rotated every two years as agreed by the chairmen of its parent Committees (which are the Committee on Atmosphere and Oceans (chaired by a representative of the Department of Commerce) and the Committee on Food and Renewable Resources (chaired by a representative of the Department of Agriculture)).

H.R. 20 would also provide that in conjunction with development of the National Aquaculture Development Plan, the Secretaries of Agriculture, Commerce, and Interior would be required to study both capital requirements of, and regulatory restraints upon, the U.S. aquaculture industry and to recommend legislation if appropriate.

(Note: The 1977 Farm Bill amended the USDA Organic Act to make acquisition and diffusion of information about aquaculture one of the four basic missions of the Department of Agriculture. The Farm Bill also established USDA as the lead Federal agency for aquaculture research and extension, and broadened the authority of the Secretary of Agriculture to make FmHA loans and to support conservation of water for aquacultural purposes. Both FmHA and the Farm Credit Administration have for a number of years made loans for aquaculture purposes.)

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

JUL 10 1979

Honorable Thomas S. Foley
Chairman, Committee on Agriculture
House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

On October 18, 1978, the President withheld approval from H.R. 9370, the National Aquaculture Policy Act of 1978. At that time, he indicated that the Administration recognized the importance of aquaculture and anticipated working with the Congress to agree on additional improvements in the Government's aquaculture program. The President was particularly concerned about offering major new Government subsidies such as loan guarantees and insurance programs unless and until a clear need for them had been established. H.R. 20 contains similar financial programs.

Earlier this year, the Office of Science and Technology Policy, at the President's request, provided the sponsors of H.R. 9370 an update on steps the Administration had taken to increase Federal efforts in aquaculture and presented a conceptual framework of potential aquaculture legislation. The enclosed amended version of H.R. 20 reflects this conceptual framework. It now excludes the questionable financial programs and costly demonstration facilities. It does, however, include a national policy statement on aquaculture and calls for the development of a National Plan for Aquaculture. In addition, the bill provides for studies to investigate the need for further financial programs and to examine how we can reduce undue regulatory constraints that may face the aquaculture industry.

The enclosed bill also recognizes the establishment of the Joint Subcommittee on Aquaculture in the Office of Science and Technology Policy. This Subcommittee is currently developing the National Aquaculture Plan. This coordinating mechanism is working well.

This bill would eliminate premature and duplicative financial programs. Other key provisions of the original vetoed bill are now being carried out. These provisions include a coordinating device for Federal agencies, the development of a National Aquaculture Plan including an assessment of aquaculture in the United States.

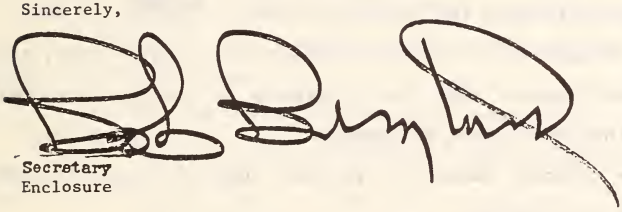
It is the policy of this Administration to undertake those research, transfer, and assistance programs and activities necessary and appropriate to facilitate the development of an active and viable U. S. aquaculture

industry. Based on this policy, the Department of Agriculture has increased its activities in aquaculture. An Aquaculture Coordinator has been hired to coordinate aquaculture programs and activities throughout the Department. An Aquaculture Work Group has been established to draft a USDA Plan for Aquaculture. That Plan will be completed this year. The USDA is an active member of the Joint Subcommittee on Aquaculture and is participating in the development of the National Plan.

The attached draft bill would provide a meaningful statement on the importance of aquaculture and underscore the Administration's efforts to facilitate this important industry's development.

The Office of Management and Budget advises that there is no objection to the presentation of this report and that enactment of this proposed legislation would be in accord with the Administration's objectives.

Sincerely,



Secretary
Enclosure

H.R. 20

Amendment in the nature of a substitute:

Page 1, line 3, strike all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "National Aquaculture Act of 1979".

SEC. 2. FINDINGS, PURPOSE, AND POLICY.

(a) FINDINGS.--Congress finds the following:

(1) The harvest of certain species of fish and shellfish exceeds levels of optimum sustainable yield, thereby making it more difficult to meet the increasing demand for (some) aquatic food.

(2) To satisfy its extensive market for aquatic food, the United States imports more than 50 percent of its fish and shellfish, but this dependence on imports adversely affects the national balance of payments and contributes to the uncertainty of supplies.

(3) Although aquaculture currently contributes approximately 10 percent of world seafood production, less than three percent of current United States seafood production results from aquaculture. Domestic aquaculture production, therefore, has the potential for significant growth.

(4) Aquaculture can provide expanded and new sources of food, industrial materials, pharmaceuticals, energy, jobs, can assist in the control and abatement of pollution, and can improve the quality of rural life.

(5) The rehabilitation and enhancement of fish and shellfish resources are potential applications of aquacultural technology.

(6) The principal responsibility for the development of aquaculture in the United States must rest with the private sector.

(7) Despite its potential, the development of aquaculture in the United States appears to have been inhibited by many economic, legal, and production factors.

(8) Many areas of the United States are suitable for aquaculture, but are subject to land-use or water-use management policies that may inhibit the development of aquaculture.

(b) PURPOSE.--It is the purpose of this Act to promote aquaculture in the United States by--

(1) declaring a national policy for aquaculture;

(2) establishing and implementing a national aquaculture development plan; and

(3) encouraging activities in both the public and private sectors of the economy;

that will facilitate increased aquacultural production, the coordination of domestic aquacultural efforts, the conservation and enhancement of aquatic resources, the creation of new industries and job opportunities, and other national benefits.

(c) POLICY.--Congress declares that aquaculture has the potential for augmenting existing commercial and recreational fisheries, and for producing other renewable resources, thereby assisting the United States in meeting its future food needs and contributing to the solution of world resource problems. It is, therefore, in the national interest,

and it is the national policy, to encourage and enhance the development of aquaculture in the United States.

SEC. 3. DEFINITIONS.

As used in this Act, unless the context otherwise requires--

(1) The term "aquaculture" means the propagation and rearing of aquatic species in controlled or selected environments, including, but not limited to ocean ranching (except private ocean ranching of Pacific salmon for profit in those States where such ranching is prohibited by law).

(2) The term "aquaculture facility" means any land, structure, or other appurtenance that is used for aquaculture and is located in any State. Such term includes, but is not limited to, any laboratory, hatchery, rearing pond, raceway, pen, incubator, or other equipment used in aquaculture.

(3) The term "aquatic species" means any species of finfish, mollusk, crustacean, or other aquatic invertebrate, amphibian, reptile, or aquatic plant.

(4) The term "person" means any individual who is a citizen or national of the United States, any Indian tribe, any institution of higher education, and any corporation, partnership, association or other entity (including, but not limited to, any community development corporation, producer cooperative, or fishermen's cooperative) organized or existing under the laws of any State.

(5) The term "Plan" means the National Aquaculture Development Plan required to be established under section 4.

(6) The term "Secretaries" means the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of Interior.

(7) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands of the United States, Guam, and the Commonwealth of the Northern Mariana Islands.

SEC. 4. NATIONAL AQUACULTURE DEVELOPMENT PLAN.

(a) IN GENERAL.--(1) Within 18 months after the date of the enactment of this Act, the Secretaries shall establish the National Aquaculture Development Plan. Within six months after such date of enactment, the Secretaries shall give interested persons and organizations an opportunity to comment during the development of the Plan.

(2) In developing the Plan, and revisions thereto under subsection (d), the Secretaries shall consult with other appropriate Federal officers, appropriate States, and appropriate Regional Fishery Management Councils established under section 302 of the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1852).

(b) CONTENTS OF PLAN.--The Plan shall:

(1) Identify aquatic species that the Secretaries determine to have significant potential for culture on a commercial or other basis and recommend actions to be taken by the public and private sectors (which may include, but is not limited to, research and development, technical assistance, demonstration, extension education, and training activities) that would achieve such potential. The plan shall address the following matters as may be appropriate, taking into account the status of aquaculture regarding the aquatic species concerned:

(A) Aquaculture facility design and operation.

(B) Water quality management.

(C) Use of waste products.

(D) Nutrition and the developing of economical feeds, including natural food sources.

(E) Life history, genetics, physiology, pathology, and disease control (including research regarding organisms that may not be harmful to fish and shellfish but are injurious to humans).

(2) Identify, as appropriate, research programs on the effect of aquaculture on estuarine and other water areas and on the management of such areas for aquaculture.

(3) Identify, as appropriate, programs to analyze, and to formulate proposed resolutions of, the legal or regulatory constraints that may affect aquaculture.

(4) Include such other research and development, technical assistance, demonstration, extension education, and training programs as the Secretaries deem necessary or appropriate to carry out the purpose and policy of this Act.

In formulating the Plan, the Secretaries shall, to the extent practicable, take into account any significant action that (i) has been, or is proposed to be, undertaken by any other Federal department or agency, any State agency, or any person; and (ii) may affect the accomplishment of the Plan.

(c) ACTIONS AND IMPLEMENTATION.-- With respect to each action referred to in the Plan, the Secretaries, acting individually, jointly,

or collectively, shall have responsibility for implementing the action and shall determine the period of time within which each such action should be completed in order to implement the Plan. The specifications of Secretarial responsibilities for implementing actions shall be determined by the Secretaries on the basis of--

(A) the responsibilities conferred on the respective Secretaries by law or by any executive action having the effect of law (including, but not limited to, Reorganization Plan Numbered 4 of 1970); and

(B) the experience, expertise, and other appropriate resources that the department of each such Secretary may have with respect to the action required under the program concerned.

(d) REVISION OF PLAN.--The Secretaries shall undertake periodic reviews of the operation and effectiveness of the Plan. If as a result of any such review, or the aquacultural assessment required under subsection (e), the Secretaries determine that--

(1) any aquatic species not currently identified in the Plan has significant potential for aquaculture;

(2) any action specified in the Plan is not being accomplished on a successful and timely basis; or

(3) any action specified in the Plan should be terminated because its objectives have been achieved or its projected benefits do not warrant further support;

the Secretaries shall appropriately amend the Plan.

(e) CONTINUING AQUACULTURE ASSESSMENT.--The Secretaries shall through the Joint Subcommittee on Aquaculture undertake a continuing

assessment of aquaculture in the United States for the purpose of maintaining on a continuing basis--

(1) a complete profile of the aquacultural industry with respect to the incidence, size, markets, and status of commercial aquacultural enterprises;

(2) the identification of private and public institutions and organizations involved in aquacultural research, extension, credit, and market development;

(3) the identification of the various aquatic species being cultured and a description of the status of commercial development of each such species;

(4) to the extent practicable, the identification of aquacultural production regions, species, and markets that have significant potential for development;

(5) a catalog describing all Federal programs and activities that directly or indirectly encourage, support, or assist aquaculture; and

(6) the identification of the economic, physical, legal, institutional, and social constraints that inhibit the development of aquaculture in the United States.

SEC, 5. FUNCTIONS AND POWERS OF SECRETARIES.

(a) DISCRETIONARY FUNCTIONS.--In implementing any program under the Plan, the Secretaries may--

(1) provide advisory, educational, and technical assistance (including training) with respect to aquaculture to interested persons, but in providing such assistance, shall, to the maximum

extent practicable, avoid duplication of similar assistance provided by other Federal departments and agencies and by State agencies;

(2) consult and cooperate with interested persons, Federal departments and agencies, State agencies, and regional commissions;

(3) encourage the implementation of aquacultural technology in the rehabilitation and enhancement of publicly owned fish and shellfish stocks (including such rehabilitation and enhancement by private nonprofit enterprises), and in the development of private commercial aquacultural enterprises;

(4) prescribe such regulations as may be necessary to carry out such action.

(5) assess the biological, technical, and economic feasibility of any aquacultural system, including:

(A) tests of the system and, if necessary, construct, operate, and maintain experimental aquaculture facilities (not including production-scale facilities) for testing laboratory results, and

(B) such other tests or analyses as may be necessary;

(6) develop methods to enhance stocks of aquatic species; and

(7) conduct such other tests or analyses or take such other actions as the Secretaries deem necessary or appropriate.

(b) INFORMATION SERVICES.--(1) In addition to performing such other functions that are required under this Act, the Secretaries may--

(A) establish and maintain an information service for the collection, analysis, and dissemination of scientific, technical, legal, social, and economic information relating to aquaculture;

(B) conduct surveys, in coordination with other Federal departments and agencies, of public and private aquacultural activities being conducted in the United States for the purpose of acquiring information on acreages, water use, production, markets, culture techniques, and other relevant matters;

(C) provide reporting service on such surveys;

(D) arrange with foreign nations for the exchange of information relating to aquaculture;

(E) conduct studies to determine whether existing capture fisheries could be adversely affected by competition from products produced by commercial aquacultural enterprises and include in such study--

(i) an assessment of any such adverse effect, by species and by geographical region, on such fisheries, and

(ii) recommended measures to ameliorate any such effect; and

(E) report to Congress on the findings made under the study provided for under subparagraph (D) in the biennial status report required under subsection (d).

(2) Any production information submitted to the Secretaries under paragraph (1)(B) shall be confidential and may only be disclosed if required under court order. The Secretaries shall prescribe such procedures as may be necessary to preserve such confidentiality, except that the Secretaries may release or make public any such information in any aggregate or summary form that does not directly or indirectly disclose the identity, business transactions, or trade secrets of any person who submits such information.

(d) BIENNIAL REPORT.--The Secretaries shall through the Joint Subcommittee on Aquaculture prepare on a biennial basis, and submit to Congress, a report on the status of aquaculture in the United States. Each such report shall contain a description and evaluation of the actions undertaken with respect to the Plan during the reporting period, an explanation of any revisions made to the Plan under section (4)(d) during the reporting period, and such other comments and recommendations regarding aquaculture in the United States as the Secretaries deem appropriate. The first report required under this subsection shall be submitted to Congress by September 30, 1981.

SEC. 6. COORDINATION OF NATIONAL ACTIVITIES REGARDING AQUACULTURE.

(a) ESTABLISHMENT.--There is established the Joint Subcommittee on Aquaculture of the Federal Coordinating Council on Science, Engineering, and Technology (in this section referred to as the "Subcommittee") that shall be composed of the following members or their designees:

(1) The Secretary of Agriculture.

(2) The Secretary of Commerce.

(3) The Secretary of the Interior.

(4) The Secretary of Energy.

(5) The Secretary of Health, Education and Welfare.

(6) The Administrator of the Agency for International Development.

(7) The Chairman of the Tennessee Valley Authority.

(8) The Director of the National Science Foundation.

(9) The Administrator of the Environmental Protection Agency.

(10) The Chief of Engineers.

(11) The Administrator of the Small Business Administration.

(12) The Governor of the Farm Credit Administration.

(13) Other Federal agencies as appropriate.

(b) PURPOSES AND FUNCTIONS.--The purpose of the Joint Subcommittee on Aquaculture is to increase the overall effectiveness and productivity of Federal aquaculture research, transfer, and assistance programs. In fulfilling this purpose, the Subcommittee shall:

(1) Review national needs for aquaculture research, transfer, and assistance.

(2) Assess the effectiveness and adequacy of Federal efforts to meet those national needs.

(3) Undertake planning, coordination, and communication among Federal agencies engaged in the science, engineering, and technology of aquaculture.

(4) Collect, compile, and disseminate information.

(5) Encourage joint programs among Federal agencies in areas of mutual interest.

(6) Recommend to the sponsoring Committees (the Committee on Atmosphere and Oceans and the Committee on Food and Renewable Resources) and the Federal Council specific actions on issues, problems, plans, and programs in aquaculture.

(c) CHAIRMAN.--The Chairman of the Joint Subcommittee on Aquaculture shall serve a term of two years and shall be selected by mutual agreement between the Chairmen of the sponsoring Committees of the Federal Council.

(d) REPORTS.--The Subcommittee shall regularly report to the Chairmen of the two sponsoring Committees and through them to the Chairman of the Federal Council, on the Subcommittee's activities and on recommendations concerning Federal policies and programs related to aquaculture.

(e) FEDERAL CONSISTENCY.--Each Federal department and agency that has functions or responsibilities with respect to aquaculture or has jurisdiction over any activity that affects, or that may affect, the achievement of the purpose and policy of this Act, shall, in consultation with the Subcommittee and to the maximum extent practicable, perform such function, responsibility, or activity in a manner that is consistent with the purpose and policy of this Act.

SEC. 7. CONTRACTS AND GRANTS.

(a) IN GENERAL.--The Secretaries may each carry out any action or program that such Secretary is responsible for implementing under the Plan through grants to, or contracts with, any person, any other Federal department or agency, any State agency, or any regional commission. The grants or contracts under this section shall cover only a portion of the total estimated cost as determined by the Secretary.

(b) TERMS AND CONDITIONS.--Any contract entered into, or any grant made, under subsection (a) shall contain such terms and conditions as the Secretary concerned shall by regulation prescribe as being necessary or appropriate to protect the interests of the United States, except that no such contract may be entered into, and no such grant may be made, for any purpose which is in violation of any applicable State or local law.

(c) LIMITATION.--The amount of any grant made under subsection (a) may not exceed an amount equal to one-half the estimated cost of the project for which the grant is made.

(d) AUDIT.--Each recipient of a grant or contract under this section shall make available to the Secretary concerned and to the Comptroller General of the United States, for purposes of audit and examination, any book, document, paper, and record that is pertinent to the funds received under such grant or contract.

SEC. 8. CAPITAL REQUIREMENTS FOR AQUACULTURE.

(a) CAPITAL REQUIREMENTS.--(1) The Secretaries, through the Joint Subcommittee on Aquaculture, shall, within 18 months after the date of enactment of this Act, conduct and report on a special study of the capital requirements of the United States aquaculture industry. The study shall:

(1) document and analyze any capital constraints that affect the development of aquaculture in the United States; and

(2) evaluate the role that appropriate Federal financial assistance does or could play in filling gaps in the normal credit market with respect to aquaculture.

The study will identify the capital needs of the United States aquaculture industry, with a focus on needs that are not being filled either in normal credit channels or through government programs for direct loans, loan guarantees, disaster loans, and insurance.

(b) CAPITAL REQUIREMENTS PLAN.--Based on the results of the Capital Requirements Study, the Secretaries shall formulate a Plan for acting on the study's findings. Such Plan shall include:

(1) those Federal actions, if any, found to be necessary to meet financial needs unmet through normal credit channels and existing Federal programs; and

(2) recommendations, if any, for legislative actions.

SEC. 9. REGULATORY CONSTRAINTS ON AQUACULTURE.

(a) REGULATORY CONSTRAINTS.--The Secretaries, through the Joint Subcommittee on Aquaculture, shall, within 18 months after the date of enactment of this Act, conduct and report on a special study of the State and Federal regulatory restrictions to aquaculture development in the United States. The study shall:

(1) Include a literature review and a descriptive list identifying overall parameters of the issue.

(2) Identify and list relevant current and pending Federal regulations restricting the development of commercial aquaculture operations.

(3) Identify and list relevant current State regulations restricting the development of commercial aquaculture operations in five States selected randomly in five separate geographic regions of the United States.

(4) Conduct case studies of 10 commercial aquaculture operations in the United States representing a wide range of marine and freshwater species to determine practical effects of regulatory restrictions on aquaculture.

(5) Develop a prototypical flow chart time line utilizing the information obtained in items (1)-(4) to identify those regulations and restrictions that could have the most detrimental effect in establishing commercial aquaculture operations in the United States.

(b) REGULATORY CONSTRAINTS PLAN.--Based on the results of the Regulatory Constraints Study, the Secretaries shall formulate a Plan for acting on the study's findings. The Plan will contain specific steps the Federal Government can take to remove unnecessarily burdensome regulatory barriers to the initiation and operation of commercial aquaculture ventures.

SEC. 10. AUTHORIZATION FOR APPROPRIATIONS.

There are authorized to be appropriated to the Departments of Agriculture, Commerce, and Interior such sums as may be required to carry out the programs authorized in this Act.

SEC. 11. DISCLAIMER.

Nothing in this Act shall be construed to amend, repeal, or otherwise modify the authority of any Federal officer or any Federal department or agency to perform any function, responsibility, or activity authorized under any other provision of law.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, July 11, 1979

(Sub) Committee Full - P.M.

Meeting: Business

Subject: Aquaculture and Federal Crop Insurance

Bill Nos. H.R. 20 and H.R. 4119

The Full ~~(Sub)~~ Committee

met in open Session at 2:00 o'clock, in Room 1301

The following Members were present:

Mr. de la Garza	Mr. Hance	Mr. Wampler
Mr. Jones (Tenn.)	Mr. Anthony	Mr. Sebelius
Mr. Bowen	Mr. Stenholm	Mr. Johnson
Mr. Rose	Mr.	Mr. Madigan
Mr. Nolan	Mr.	Mr. Grassley
Mr. Baldus	Mr.	Mr. Hagedorn
Mr. Harkin	Mr.	Mr. Coleman
Mr. Bedell	Mr.	Mr. Marlenee
Mr. English	Mr.	Mr. Hopkins
Mr. Fithian	Mr.	Mr. Thomas
Mr. Panetta	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Whitley	Mr.	Mr.
Mr. Coelho	Mr.	
Mr. Daschle	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Tony Imhof, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to Member's questions:

1. Mr. James D. Deal, Manager, Federal Crop Insurance Corporation, USDA.

2. Dr. Ed Schu, Deputy Under Secretary for International Affairs and Commodity Programs, USDA.

Statements Filed:

None

Wednesday, July 11, 1979
Full Committee - P.M.
Business Meeting
Aquaculture and Federal Crop Insurance
H.R. 20 and H.R. 4119

Action Taken:

-- By a roll call vote of 37 yeas-2 nays H.R. 20, as amended, ordered reported to the House with a favorably recommendation in the presence of a quorum.

-- By a show of hands vote of 7 yeas-5 nays Jones (Tenn.) motion to read and amend H.R. 4119 section by section approved.

-- By unanimous voice vote Johnson amendment to section 4 agreed to.

-- By unanimous voice vote de la Garza amendment to section 4 agreed to.

-- By voice vote motion to adjourn agreed to.

Acting Chairman Jones (Tenn.) called the meeting to order and directed the Clerk to continue the recorded vote begun at the morning meeting (see minutes of July 11 - a.m.). The complete vote follows:

Y E A S

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Bowen
4. Mr. Bedell
5. Mr. English
6. Mr. Hance
7. Mr. Anthony
8. Mr. Stenholm
9. Mr. Wampler
10. Mr. Johnson
11. Mrs. Heckler
12. Mr. Hopkins
13. Mr. Thomas
14. Mr. Foley
15. Mr. Sebelius
16. Mr. Hagedorn
17. Mr. Brown (proxy to Mr. Jones)(Tenn.)
18. Mr. Richmond (proxy to Mr. Jones)(Tenn.)
19. Mr. Mathis (proxy to Mr. Jones)(Tenn.)
20. Mr. Huckaby
21. Mr. Jones (N.C.)(proxy to Mr. Jones)(Tenn.)
22. Mr. Panetta
23. Mr. Grassley
24. Mr. Harkin (proxy to Mr. Jones) (Tenn.)
25. Mr. Glickman
26. Mr. Akaka
27. Mr. Findley (proxy to Mr. Wampler)
28. Mr. Madigan
29. Mr. Jeffords (proxy to Mr. Wampler)
30. Mr. Fithian
31. Mr. Daschle
32. Mr. Coleman
33. Mr. Baldus
34. Mr. Nolan
35. Mr. Weaver (proxy to Mr. English)
36. Mr. Rose
37. Mr. Marlenee

N A Y S

1. Mr. Symms
2. Mr. Kelly (proxy to Mr. Wampler)

Thus, by a roll call vote of 37 yeas-2 nays (29 Members present and voting) H.R. 20, as amended, was ordered reported to the House with the recommendation that it do pass in the presence of a quorum. Staff was given permission to make clerical and technical changes and Members were given three legislative days in which to submit views for inclusion in the Committee Report as the report must be filed no later than midnight, July 16.

Acting Chairman de la Garza recognized Mr. Jones (Tenn.), Chairman of the Subcommittee on Conservation and Credit for an explanation of the bill, H.R. 4119, to improve and expand the Federal Crop Insurance Program. Mr. Jones (Tenn.) asked unanimous consent that H.R. 4119 be considered as read and open for amendment section by section. Mr. English objected and Mr. Jones (Tenn.) made a motion. By a show of hands vote of 7 yeas-5 nays the motion was agreed to. Mr. English requested a recorded vote and 2 Members (an insufficient number) voted to sustain the request. Mr. English made a point of order that a quorum was not present. The Committee recessed for a vote on the House Floor and upon reconvening the Clerk was directed to call the roll. The quorum call follows:

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Nolan
4. Mr. Baldus
5. Mr. Huckaby
6. Mr. Glickman
7. Mr. Daschle
8. Mr. Hance
9. Mr. Anthony
10. Mr. Stenholm
11. Mr. Johnson
12. Mr. Madigan
13. Mr. Grassley
14. Mr. Hagedorn
15. Mr. Marlenee
16. Mr. Bowen
17. Mr. English
18. Mr. Hopkins
19. Mr. Thomas

Nineteen Members having responded a one-third quorum was established pursuant to previous notice under Committee Rules. The Jones (Tenn.) motion to offer amendments to the bill section by section was considered as approved. (Copy of markup vehicle attached.)

Counsel Bor was recognized to explain the bill by section. Sections 1, 2, and 3 were explained and no amendments were offered. Section 4 was explained and discussion occurred.

Wednesday, July 11, 1979
Full Committee - P.M.
Business Meeting
Aquaculture and Federal Crop Insurance
H.R. 20 and H.R. 4119

Mr. Johnson offered an amendment to page 4, line 16, to strike the word "exclusive" and add the following proviso: "Provided, further, That action may be brought by or against the Corporation in State courts with general jurisdiction."

Discussion occurred and by a unanimous voice vote the Johnson amendment was agreed to.

Mr. de la Garza offered the attached amendment to add aquaculture to the provisions of the legislation. By a unanimous voice vote the motion was approved.

Discussion continued on the section. Mr. Madigan moved to add after "available" on page 5, line 13, the phrase "at reasonable rates". Discussion occurred.

Mr. Coelho moved that the Committee adjourn until the scheduled meetings at 10:30 a.m. and 2:00 p.m. tomorrow. By a voice vote the motion was agreed to.

During the proceedings two recesses were taken at 2:20 p.m. and 3:17 p.m. to enable Members to respond to recorded votes on the House Floor. At 3:45 p.m. Acting Chairman Jones (Tenn.) adjourned the meeting to reconvene at 10:30 a.m. on Thursday, July 12, at which time the pending business will be further consideration of the pending Madigan amendment.

Glenda Temple

[COMMITTEE PRINT]

JUNE 25, 1979

[As reported, amended, by the Subcommittee on Conservation and Credit—June 6, 1979]

96TH CONGRESS
1ST SESSION

H. R. 4119

To improve and expand the Federal crop insurance program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 16, 1979

Mr. JONES of Tennessee (for himself and Mr. MADIGAN) introduced the following bill; which was referred to the Committee on Agriculture

JUNE , 1979

[Omit the part struck through and insert the part printed in italic]

A BILL

To improve and expand the Federal crop insurance program, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Crop Insurance Act of 1979".

CAPITAL STOCK

SEC. 2. (a) Effective October 1, ~~1979~~ *1980*, section 504(a) of the Federal Crop Insurance Act is amended by striking out "$200,000,000" and inserting in lieu thereof "$500,000,000".

(b) Section 504 of such Act is amended by adding after subsection (c) a new subsection (d) as follows:

"(d) The Secretary of the Treasury, within thirty days after the date of enactment of ~~this Act~~ *the Federal Crop Insurance Act of 1979*, shall cancel, without consideration, receipts for payments for or on account of the stock of the Federal Crop Insurance Corporation outstanding on ~~the~~ *such* date of enactment ~~of the Federal Crop Insurance Act of 1979~~ and such receipts shall cease to be liabilities of the Corporation."

BOARD OF DIRECTORS: MEMBERSHIP AND COMPENSATION

SEC. 3. (a) Section 505(a) of the Federal Crop Insurance Act is amended by—

(1) amending the second sentence to read as follows: "The Board shall consist of the manager of the Corporation, two other persons employed in the Department of Agriculture, two persons experienced in the crop insurance business who are not otherwise employed by the Federal Government, and two active

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farmers who are not otherwise employed by the Federal Government."; and

(2) adding at the end thereof a new sentence as follows: "The Secretary, in appointing the two active farmers who are not employed by the Federal Government, shall ensure that such members are policyholders and are from different geographic areas of the United States, in order that diverse agricultural interests in the United States are at all times represented on the Board.".

(b) Section 505(b) of such Act is amended by striking out "three" wherever that word appears therein and inserting in lieu thereof "four".

(c) The second sentence of section 505(c) of such Act is amended to read as follows: "The Members of the Board who are not employed by the Federal Government shall be paid such compensation for their services as directors as the Secretary of Agriculture shall determine, but such compensation shall not exceed the daily equivalent of the rate currently effective for grade GS–18 pursuant to section 5332 of title 5 of the United States Code per day when actually employed and actual necessary traveling and subsistence expenses, or a per diem allowance in lieu of subsistence expenses, as authorized by section 5703 of title 5 of the United States Code for persons in Government service employed intermittently,

when on the business of the Corporation away from their homes or regular places of business.".

GENERAL POWERS FOR THE CORPORATION

SEC. 4. Section 506 of the Federal Crop Insurance Act is amended by—

(1) in subsection (c), striking out "make contracts and";

(2) amending subsection (d) to read as follows:

"(d) subject to the provisions of section 508(c), may sue and be sued in its corporate name, but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property. The district courts of the United States, including the district courts of the District of Columbia and of any Commonwealth territory or possession, shall have exclusive jurisdiction, without regard to the amount in controversy, of all suits brought by or against the Corporation: *Provided,* That the Corporation may intervene in any court in any suit, action, or proceeding in which it has an interest. Any suit against the Corporation shall be brought in the District of Columbia, or in the district wherein the plaintiff resides or is engaged in business;";

(3) in subsection (f), striking out "free";

(4) in subsection (h) by striking the semicolon and adding the following: "and may conduct ~~researchers,~~ *research* surveys, pilot programs and investigations relating to Agriculture-related risk and losses including, but not limited to, insurance on livestock poisoning and disease, destruction of bees due to the use of pesticides, and other unique problems of special risk related to, but not limited to, fruits, nuts, vegetables, forest industry needs including appreciation, and other agriculture products as determined by the Board ~~provided however that:~~ *Provided, That* no such programs may be undertaken if insurance protection against such risks is generally available from private companies. The Corporation shall report annually to Congress the results of its operations on each pilot program undertaken and shall not expand beyond the pilot program without the approval of the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry"; and

(5) striking the period at the end of subsection (j) and inserting in lieu thereof ~~a semicolon~~ *"; and"*, and adding at the end of section 506 a new subsection (k) as follows:

"(k) may enter into and carry out contracts or agreements necessary in the conduct of its business, as

determined by the Board. State and local laws or rules shall not apply to contracts or agreements of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not apply, or to the extent that such laws or rules are inconsistent with such contracts or agreements.".

USE OF PRIVATE INSURANCE COMPANIES

SEC. 5. Section 507 of the Federal Crop Insurance Act is amended by—

(1) amending subsection (c) to read as follows:

"(c) The Board may establish or use committees or associations of producers, or private insurance companies, or other private companies in the administration of this title and make payments to such committees, associations, or companies to cover the administrative and program expenses as determined by the Board in cooperating in carrying out this title.";

(2) adding a new subsection (f) as follows:

"(f) The Board should utilize to the fullest extent possible the resources, data, boards, and the committees of the following: Soil Conservation Service, in assisting in land classification of risk, production capability and in developing acceptable conservation practices to be eligible for insurance; Forest Service, in assisting the Board in the development of

a timber insurance plan; Agricultural Stabilization and Conservation Service, in assisting in the determination of individual producer yields and in serving as a local contact point for farmers where the Board deems necessary; and other Federal agencies in any way the Board deems necessary in carrying out this Act."

FEDERAL CROP INSURANCE, EXPANSION, REINSURANCE, AND COVERAGE

SEC. 6. Section 508(a) of the Federal Crop Insurance Act is amended—

(1) in the first sentence by striking out "1948" and inserting in lieu thereof ~~"1980";~~ *"1981";*

(2) by striking out the third sentence beginning with the words "In 1948 insurance", the fourth sentence beginning with the words "Beginning with crops", the sixth sentence beginning with the words "Reinsurance for private", and the ninth sentence beginning with the words "Counties selected by";

(3) in the seventh sentence by striking out "Provided" and inserting in lieu thereof: "Provided, That a minimum of three levels of coverage shall be offered: (1) 50 per centum of the recorded or appraised average yield, (2) 65 per centum of the recorded or appraised average yield, and (3) 75 per centum of the recorded or appraised average yield: And provided, further";

~~(3)~~ *(4)* by inserting immediately after the seventh sentence the following new sentences: "The Corporation shall offer other levels of yield coverage to be selected at the option of each producer and, as expeditiously as possible, offer insurance coverages to individual farmers based on the actual production history for the farm when yield data available is acceptable to the Corporation. One of the price elections offered shall approximate, *but be no less than 90 percent of* the projected market price for the commodity involved, as determined by the Board";

~~(4)~~ *(5)* by inserting immediately before the period at the end of the eighth sentence the following: ", or *to the* failure of the producer to follow conservation practices approved by the Board".

PREMIUM SUBSIDY, REINSURANCE, AND SPECIFIC RISK PROTECTION

SEC. 7. Section 508 of the Federal Crop Insurance Act is further amended by—

(1) amending subsection (b) to read as follows:

"(b) To fix adequate premiums for insurance at such rates as the Board deems sufficient to cover claims for losses on such insurance and to establish as expeditiously as possible a reasonable reserve against unforeseen losses. For the purpose of encouraging the broadest possible participation in

the insurance program, 30 per centum of each producer's premium, as calculated by the Corporation on any coverage up to a maximum of 65 per centum of the recorded or appraised average yield, shall be paid by the Corporation, *except that the total amount of premiums which the Corporation may subsidize with respect to agricultural commodities insured by any producer under this Act for any year shall not be for coverage on such commodities of more than $200,000.* The producer's share of such premiums shall be collected at such time or times, or shall be secured in such manner, as the Board may determine. The Board may enter into agreements with any State or agency of a State pursuant to which such State or agency may pay to the Corporation additional premium subsidy to further reduce the portion of the premium paid by farmers in such State. *The Board may also require that the Corporation pay additional and/or graduated premium subsidy to further reduce the portion of the premium paid by operators of small farms: Provided, That eligibility for classification as a small farm shall be based on the maximum potential exposure of the Corporation on all commodities eligible for insurance at a limit determined by the Board.".*

(2) in subsection (c) by striking out the second sentence which begins, "The Corporation shall provide," and striking from the third sentence which

begins, "In the event that . . ." the words: "or in any court of record of the State having general jurisdiction, sitting in the district or county in which the insured farm is located,";

(3) amending subsection (f) to read as follows:

"(f) To provide insurance or reinsurance for production of agricultural commodities in the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands in the same manner as provided under this section for producers in the several States."; and

(4) adding at the end thereof new subsections (g), and (h), as follows:

"(g) To reinsure, upon such terms and conditions as the Board may determine to be consistent with section 508 (a) and (b) and sound reinsurance principles, insurers including private insurance companies or pools of such companies, any State or local Governmental entity, including any territory or possession or political subdivision thereof, which insure producers of any agricultural commodity under a plan or plans acceptable to the Corporation.

"(h) To offer separate protection against specific risks including, but not limited to, prevented planting, wildlife depredation, tree damage and disease, and insect infestation,

under such terms and conditions as the Corporation may determine providing adequate coverage is not available from private companies.".

DELETION OF AUTHORITY FOR ADVISORY COMMITTEES

SEC. 8. Section 515 of the Federal Crop Insurance Act is hereby repealed.

APPROPRIATIONS FOR OPERATING AND ADMINISTRATIVE EXPENSES

SEC. 9. Effective October 1, 1979, section 516(a) of the Federal Crop Insurance Act is amended to read as follows:

"SEC. 516. (a) There are hereby authorized to be appropriated such sums ~~for each fiscal year beginning after June 30, 1938,~~ as may be necessary to cover the operating and administrative costs of the Corporation, including agents' commissions, interest on Treasury notes and other obligations, Federal premium payments, and the direct cost of loss adjusters for crop inspections and loss adjustments, which shall be allotted to the Corporation in such amounts and at such time or times as the Secretary of Agriculture may determine: *Provided,* That expenses in connection with the purchase, transportation, handling or sale of the agricultural commodity, agents' commissions, interest on Treasury notes and other obligations, Federal premium payments, and the direct cost of loss adjusters for crop

inspections and loss adjustments may be considered by the Corporation as being nonadministrative or nonoperating expenses and paid from premium income and other Corporation funds. Any such expenses may be restored by appropriations in subsequent years.".

EMERGENCY FUNDING IN CASE OF INSUFFICIENCY

SEC. 10. Effective October 1, ~~1979,~~ *1980,* section 516 of the Federal Crop Insurance Act is amended by adding at the end thereof a new subsection (c) as follows:

"(c) If at any time the moneys available to the Corporation are insufficient to enable the Corporation to discharge its responsibility of indemnifying producers for losses under this title, the Corporation shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Corporation from moneys available from premiums or the issuance of capital stock under section 504 of this title. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the

United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by the Secretary of the Treasury under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.".

AGRICULTURAL COMMODITY

SEC. 11. Section 518 of the Federal Crop Insurance Act, as amended, is amended to read as follows:

SEC. 518. "Agricultural commodity," as used in this title, means wheat, cotton, flax, corn, dry beans, oats, barley, rye, tobacco, rice, peanuts, soybeans, sugar beets, sugar cane, tomatoes, grain sorghum, sunflowers, raisins, oranges, sweet corn, dry peas, freezing and canning peas, forage, apples, grapes, potatoes, timber and forests, citrus, and other

fruits and vegetables, nuts, tame hay, or any other agricultural commodity, excluding livestock and stored grain, determined by the Board pursuant to subsection (a) of section 508 of this title, or any one or more of such commodities, as the context may indicate (7 U.S.C. 1518).".

EXTENSION OF DISASTER PAYMENT PROGRAMS; APPLICABILITY

SEC. 12. Section ~~100(b)~~ *1001(b)* of the Food and Agriculture Act of 1977 (7 U.S.C. 1309) is amended by adding at the end of subsection (b) the following: "Notwithstanding any other provision of law, the farm disaster payment provisions and the prevented planting disaster payment provisions for wheat, feed grains, upland cotton, and rice contained in the Agricultural Act of 1949, as amended effective for the 1978 through 1981 crops, which are presently effective only for the 1978 and 1979 crops, shall be effective with respect to the 1980 and 1981 crops of wheat, feed grains, upland cotton, and rice. Notwithstanding any other provision of law, no person shall be eligible to receive farm disaster payments or prevented planting disaster payments for the ~~1980 and 1981 crop years~~ *1981 crop year* in any county in which Federal crop insurance is generally offered for such agricultural commodity under the provisions of the Federal Crop Insurance Act *of 1979.*".

O

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, July 11, 1979

(Sub) Committee on Domestic Marketing, Consumer Relations and Nutrition

Meeting: Public Hearing

Subject: Agricultural Bargaining Act

Bill Nos. H.R. 3535

The Domestic Marketing, Consumer Relations, & Nutrition (Sub) Committee met in open Session at 9:40 a.m. o'clock, in Room 1302 LHOB.

The following Members were present:

		also present
Mr. Panetta	Mr.	Mr. Findley
Mr. Grassley	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Bernard Brenner, Press Secretary
Joe Crapa, Subcommittee Staff Director
Jerry Jorgensen, Staff Assistant
Linda Miller, Staff Assistant
Frank Winston, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Mr. Robert Arndt, Echo, Minnesota, President, Minnesota National Farmers Organization

2. Mr. Richard Steffen, Dunkerton, Iowa, President, Iowa National Farmers Organization

3. Mr. Fritz Friday, Chairman of the Baord, National Food Processors Association, Washington, D.C.
   Accompanied by: Mr. H. Edward Hunkelberger, Counsel

4. Mr. Bruce Eaker, Route 5, Roxboro, N.C., Manager of the North Carolina Farm Bureau Marketing Association

5. Mr. Jack Anderson, Bonanza Valley, Minnesota, Minnesota Irrigators Association

6. Mr. Jerry Heilig, Vice President, Washington Potato Growers Association, Othello, Washington.

7. Mr. Ernest Phillips, farmer, Williamson, New York
   Accompanied by: Mr. Gerrard Bourgeois, farmer
   Mr. David Sharp, farmer
   Mr. George Mueller,farmer

Statements Filed:

Wednesday, July 11, 1979-A.M.
Subcommittee on Domestic Marketing
Consumer Relations, and Nutrition
Public Hearing
Agricultural Bargaining Act

Chairman Panetta called the meeting to order and the witnesses listed on page two were recognized for their prepared statements After each witness presented his testimony, he answered questions from Members of the Subcommittee as appearing in the record.

During the meeting, recesses were taken from 10:25 to 10:35; 11:05 to 11:25; and 11:00 to noon to enable Members to answer roll-call votes in the full Committee and on the House Floor.

The meeting was adjourned at 12:40 to reconvene at 2:00 p.m. this date to hear further witnesses' views on the Agricultural Bargaining Act.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, July 11, 1979

(Sub) Committee on Domestic Marketing, Consumer Relations and Nutrition

Meeting: Public Hearing

Subject: Agricultural Bargaining Act

Bill Nos. H.R. 3535

The Domestic Marketing, Consumer Relations and Nutrition (Sub) Committee met in Open Session at 2:08 p.m. o'clock, in Room 1302 LHOB.

The following Members were present:

Mr. Panetta	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Jerry Jorgensen, Staff Assistant
Linda Miller, Staff Assistant
Glenda Knight, Staff Assistant
Frank Winston, Staff Assistant
Peggy Pecore, Staff Assistant

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Witnesses:

1. Mr. Neal P. Gillen, Vice President and General Counsel, American Cotton Shippers Association, Washington, D.C.

2. Mr. Clarence Palmby of Continental Grain for U.S. Chamber of Commerce, Washington, D.C.
   accompanied by: Mr. E. Clinton Stokes, Director, Food and Agriculture U.S. Chamber of Commerce

3. Mr. Edward Covell, Past Chairman, National Broiler Counsel, Washington, D.C.
   Accompanied by: Mr. George Watts, President
   Mr. James Rill, Counsel

4. Mr. Michael Brown, Vice President, American Frozen Food Institute, Washington, D.C.
   Accompanied by: Mr. James H. Brian, President, Smeltzer Orchard Co., Frankfort, Michigan

   Ms. Kathleen McDermott, Counsel

5. Mr. William F. Brooks, National Grain Trade Council, Washington, D.C.

6. Mr. W. J. Keating, Counsel for Public Affairs, National Grain and Feed Association, Washington, D.C.

Statements Filed:

1. Mr. Kenneth A. Davis, General Manager for the Pruce Bargaining Assoc.
2. Frozen Food Pack Statistics, American Frozen Food Institute
3. Reprint of paper from Harvard Journal on Legislation "Antitrust, Bargaining, and Cooperatives: ABC's of the National Agricultural Marketing and Bargaining Act of 1971"

Wednesday, Junly 11, 1979 P.M.
Subcommittee on Domestic Marketing,
Consumer Relations, and Nutrition
Public Hearing
Agricultural Bargaining Act

Acting chairman Panetta called the meeting to order and recognized the witnesses listed on page two for their prepared testimony and questioning as appearing in the record.

During the meeting, two recesses were taken at 2:20-2:35 and 3:20-3:30 to enable Members to respond to rollcall votes on the House Floor.

The meeting was adjourned at 3:57 to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, July 12, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Federal Crop Insurance Act

Bill Nos. H.R. 4119

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. de la Garza	Mr. Stenholm	Mr. Wampler
Mr. Jones (N.C.)	Mr.	Mr. Sebelius
Mr. Jones (Tenn.)	Mr.	Mr. Findley
Mr. Bowen	Mr.	Mr. Symms
Mr. Weaver	Mr.	Mr. Johnson
Mr. Baldus	Mr.	Mr. Madigan
Mr. Bedell	Mr.	Mr. Kelly
Mr. English	Mr.	Mr. Grassley
Mr. Fithian	Mr.	Mr. Hagedorn
Mr. Panetta	Mr.	Mr. Coleman
Mr. Huckaby	Mr.	Mr. Marlenee
Mr. Glickman	Mr.	Mr. Hopkins
Mr. Coelho	Mr.	Mr. Thomas
Mr. Daschle	Mr.	Mr.
Mr. Hance	Mr.	
Mr. Anthony	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

Witnesses:

* The following represented the Administration and responded to Member's questions concerning the legislation and administration of the program:

1. Dr. Ed Schu, Deputy Under Secretary for International Affairs and Commodity Programs, U.S. Department of Agriculture.

2. Mr. James D. Deal, Manager, Federal Crop Insurance Corporation, U.S. Department of Agriculture.

Statements Filed:

None

Thursday, July 12, 1979
Full Committee
Business Meeting
Federal Crop Insurance Act
H.R. 4119

Action Taken:

-- By a roll call vote of 13 yeas-24 nays Daschle amendment re ASCS not adopted.

-- By unanimous voice vote Stenholm amendment clarifying criteria for coverage agreed to.

Acting Chairman de la Garza called the meeting to order for the continued consideration of legislation to improve and expand the Federal Crop Insurance Act and recognized Counsel Imhof to explain the provisions of section 5. Discussion occurred.

Mr. Daschle offered the attached amendment which would utilize the Agricultural Stabilization and Conservation Service in administering the program. Discussion occurred on the amendment. By a show of hands vote of 9 yeas-13 nays the amendment was not agreed to. Mr. Daschle requested a recorded vote and 8 Members sustained the request. The vote follows:

Y E A S

1. Mr. English
2. Mr. Fithian
3. Mr. Coelho
4. Mr. Daschle
5. Mr. Hance
6. Mr. Stenholm
7. Mr. Grassley
8. Mr. Coleman
9. Mr. Marlenee
10. Mr. Nolan (proxy to Mr. English)
11. Mr. Weaver (proxy to Mr. English)
12. Mr. Bedell
13. Mr. Anthony

N A Y S

1. Mr. de la Garza
2. Mr. Jones (N.C.)
3. Mr. Jones (Tenn.)
4. Mr. Bowen
5. Mr. Baldus
6. Mr. Panetta
7. Mr. Huckaby
8. Mr. Glickman
9. Mr. Wampler
10. Mr. Sebelius
11. Mr. Johnson
12. Mr. Madigan
13. Mr. Kelly
14. Mr. Hopkins
15. Mr. Thomas
16. Mr. Mathis (proxy to Mr. Jones) (Tenn.)
17. Mr. Brown (proxy to Mr. Jones) (Tenn.)
18. Mr. Rose (proxy to Mr. Jones) (Tenn.)
19. Mr. Richmond (proxy to Mr. Jones) (Tenn.)
20. Mr. Harkin (proxy to Mr. Jones) (Tenn.)
21. Mr. Akaka (proxy to Mr. Jones) (Tenn.)
22. Mr. Findley (proxy to Mr. Madigan)
23. Mr. Jeffords (proxy to Mr. Madigan)
24. Mrs. Heckler (proxy to Mr. Madigan)

Thursday, July 12, 1979
Full Committee
Business Meeting
Federal Crop Insurance Act
H.R. 4119

Thus, by a roll call vote of 13 yeas-24 nays the Daschle amendment was not agreed to.

Discussion continued on the legislation. Mr. Stenholm moved to amend page 6, line 24, by striking the phrase "to be eligible for insurance". Mr. Stenholm offered the amendment to clarify the criteria for coverage under the program. Discussion occurred on the amendment and by a unanimous voice vote the Stenholm amendment was adopted.

The Members continued discussing section 5 and at 11:45 a.m. the meeting was adjourned to reconvene at 1:30 p.m. this date to continue consideration of the pending legislation.

Glenda Temple

AMENDMENT TO H.R. 4119 (COMMITTEE PRINT), TO BE OFFERED BY

MR. DASCHLE

strike lines 20 through 25 on page 6 and lines 1 through 6 on page 7.

Insert in lieu thereof:

"(f) The Board should utilize the Agricultural Statilization and Conservation Service in determining individual producer yields and in administering the program on the local level. In certain cases, where the Board deems it necessary, the Board may utilize other Federal agencies in carrying out this Act."

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, July 12, 1979

(Sub) Committee Full - P.M.

Meeting: Business

Subject: Federal Crop Insurance Act of 1979; grain sales

Bill Nos. H.R. 4119;

The Full (Sub) Committee

met in open Session at 1:30 o'clock, in Room 1301.

The following Members were present:

Mr. de la Garza	Mr. Coelho	Mr. Wampler
Mr. Jones (N.C.)	Mr. Daschle	Mr. Sebelius
Mr. Jones (Tenn.)	Mr. Hance	Mr. Findley
Mr. Bowen	Mr. Anthony	Mr. Symms
Mr. Richmond	Mr. Stenholm	Mr. Johnson
Mr. Nolan	Mr. Foley	Mr. Madigan
Mr. Weaver	Mr.	Mr. Kelly
Mr. Baldus	Mr.	Mr. Grassley
Mr. Harkin	Mr.	Mr. Hagedorn
Mr. Bedell	Mr.	Mr. Coleman
Mr. English	Mr.	Mr. Marlenee
Mr. Fithian	Mr.	Mr. Hopkins
Mr. Panetta	Mr.	Mr. Thomas
Mr. Huckaby	Mr.	Mr.
Mr. Glickman	Mr.	
Mr. Whitley	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant

Witnesses:

Representing the United States Department and responded to questions on the legislation and administration of the program were:

1. Dr. Ed Schu, Deputy Under Secretary for International Affairs and Commodity Programs.

2. Mr. James D. Deal, Manager, Federal Crop Insurance Corporation.

Statements Filed:

None

Thursday, July 12, 1979
Full Committee - P.M.
Business Meeting
Federal Crop Insurance Act of 1979;
grain sales to foreign countries
H.R. 4119

Action Taken:

-- Without objection Grassley reservation to offer an amendment agreed to.

-- By unanimous voice vote Huckaby amendment re three levels of coverage adopted.

-- English unanimous consent request to write Secretary on grain sales approved and staff directed to draft letter for approval of Committee.

-- Stenholm substitute amendment to Fithian amendment agreed to by show of hands vote of 12 yeas-7 nays.

-- By voice vote Fithian amendment, as amended, approved.

-- Without objection Jones (Tenn.) substitute amendment to Grassley amendment revised.

Acting Chairman de la Garza called the meeting to order for the purpose of continuing consideration of legislation to expand and improve the Federal Crop Insurance Program. Without objection Mr. Grassley reserved the right to offer an amendment to section 6 at a later time.

Counsel Imhof was recognized to explain the provisions of section 6. Discussion occurred.

Mr. Huckaby offered the attached amendment and without objection it was revised to become a new section 6. The amendment would mandate that three levels of coverage be offered. Discussion occurred and by a unanimous voice vote the Huckaby amendment was agreed to.

Mr. English asked unanimous consent that the Chairman be instructed to draft a letter from the Committee to the Secretary of Agriculture reflecting the view that the Committee was on record as supporting activities that would increase our sales of wheat to foreign countries. Mr. English asked that the attached be made a part of the record. He explained that the Secretary had advised that the Soviet Union was interested in buying a significant amount of additional grains above their previous agreement. Discussion

Thursday, July 12, 1979
Full Committee - P.M.
Business Meeting
Federal Crop Insurance Act of 1979;
grain sales to foreign countries
H.R. 4119

occurred on the proposal and without objection staff was directed to prepare a draft letter and report back to the Committee for final approval at the next meeting.

Discussion resumed on the provisions of the pending legislation. Mr. Fithian moved to amend page 8, line 14, by adding after the word "follow" the words "previously approved" and on line 15 by striking the phrase "approved by the Board". Mr. Fithian offered the amendment to reduce costs to those farmers practicing good conservation practices.

Discussion occurred and Mr. Stenholm moved a substitute amendment to strike lines 12 through 15 on page 8. Discussion continued and by a show of hands vote of 12 yeas-7 nays the Stenholm amendment was agreed to. Mr. Harkin requested a roll call vote and 4 Members voted to sustain the request (an insufficient number). By a voice vote the Fithian amendment, as amended, was adopted.

Mr. Grassley offered the attached amendment to offer a producer the option to purchase hail insurance in the private sector.

Discussion occurred and Mr. Jones (Tenn.) offered the attached substitute amendment. Mr. Baldus suggested that the Jones (Tenn.) substitute be revised by adding at the end thereof the following language: "if the producer obtains a hail, lightning or fire policy from a private insurer". Without objection the Jones (Tenn.) substitute was reformed.

Discussion continued on the pending amendments and at 4:30 p.m. the meeting was adjourned to reconvene at 10:30 a.m. on Friday, July 13, to continue consideration of H.R. 4119 and amendments thereto. During the proceedings one recess was taken at 2:50 p.m. to enable Members to respond to a recorded vote on the House Floor.

Glenda Temple

Thursday, July 12
Full Committee

AMENDMENT OFFERED BY MR. HUCKABY

H.R. 4119 is amended by adding at the end thereof a new section as follows:

"SEC. 13. Section 508(a) of the Federal Crop Insurance Act is amended by substituting a period for the colon in the seventh sentence and deleting the proviso at the end of the seventh sentence which reads as follows: 'Provided, That if seventy five per centum of the average yield represents generally more protection than the investment in the crop in any area, taking into consideration recognized farming practices, the Board shall reduce such maximum percentage so as more nearly to reflect the investment in the crop in such area.'".

FOR THE RECORD--Mr. English

It is the policy of Secretary Bergland that farm programs be designed to provide maximum benefits to the family sized farm. Therefore, we are revising our insurance unit structure to provide that:

1. Separate units are established where different entities share in the crop.
2. Guidelines on file in the county provide for further division of units where:
   a. Land is owned by separate legal entities or
   b. Land is owned by the same legal entity, and operated as two or more units with separate yield records for each. Providing the land in such units are not contiguous.
3. Written agreements provide further unit division of contiguous land that is owned by the same legal entity but managed and operated as separate operations provided:
   a. Separate written records are maintained for each of production and yield data.
   b. The risk is not increased unduly.
   c. That such agreements are prepared by the final acreage reporting date.

AMENDMENT TO H.R. 4119

Offered by Mr. Grassley

Page 7, line 12, immediately after the semicolon, insert:

"(2) by changing the period at the end of the second sentence to a colon and adding the following proviso:

'Provided, That insurance against losses due to hail, lightning or fire offered by the Corporation to the producers of agricultural commodities shall be offered only at the option of such producer and in the event the producer does not desire such coverage in the all-peril policy offered by the Corporation a deduction shall be made from the total premium cost of that portion of the total cost attributable to the hail, lightning or fire coverage; however, the premium subsidy on such limited-peril policy offered by the Corporation and provided for elsewhere in this section for the all-peril policy shall not be reduced by reason of the exercise of such option by the producer if the producer obtains a hail, lightning or fire policy from a private insurer.'"

Explanation

This amends section 508(a) of the Federal Crop Insurance Act by offering a producer the option to purchase his hail insurance in the private sector while receiving the same premium subsidy as those producers who do not exercise such option.

Conforming technical amendment: Renumber the following paragraphs in section 6.

AMENDMENT TO H. R. 4119

Offered by Mr. Jones

Page 7, line 12, immediately after the semicolon, insert:

"(2) by changing the period at the end of the second sentence to a colon and adding the following proviso:

'Provided, That in the discretion of the Board insurance against losses due to hail, lightning, or fire offered by the Corporation to the producers of agricultural commodities shall not be offered if the producer does not desire such coverage in the policy offered by the Corporation in which event a deduction shall be made from the total premium cost of that portion of the total cost attributable to the hail, lightning or fire coverage; however, the premium subsidy on such policy offered by the Corporation and provided for elsewhere in this section shall not be reduced by reason of the exercise of such option by the producer.'"

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Friday, July 13, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Federal Crop Insurance Act

Bill Nos. H.R. 4119

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr.	Mr.
Mr. Jones (N.C.)	Mr.	Mr.
Mr. Jones (Tenn.)	Mr.	Mr.
Mr. English	Mr.	Mr.
Mr. Johnson	Mr.	Mr.
Mr. Grassley	Mr.	Mr.
Mr. Coleman	Mr.	Mr.
Mr. Marlenee	Mr.	Mr.
Mr. Hopkins	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant

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Witnesses:

None

Statements Filed:

None

Friday, July 13, 1979
Full Committee
Business Meeting
Federal Crop Insurance Act
H.R. 4119

Chairman Foley called the meeting to order for the purpose of considering legislation to improve and expand the Federal crop insurance program. The Clerk was directed to call the roll, and the following Members responded when their names were called:

1. Mr. Jones (N.C.)
2. Mr. Jones (Tenn.)
3. Mr. Johnson
4. Mr. Coleman
5. Mr. Foley
6. Mr. English
7. Mr. Grassley
8. Mr. Marlenee
9. Mr. Hopkins

Nine Members having responded, a quorum was not established, and at 10:40 a.m. the meeting was adjourned to reconvene at 10:30 a.m. on Wednesday, July 18, for further consideration of the Federal Crop Insurance Act.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, July 17, 1979

(Sub) Committee Dairy and Poultry

Meeting: Public Hearing

Subject: Federal Milk Marketing Orders

Bill Nos. _____

The Dairy and Poultry (Sub) Committee met in open Session at 10:00 o'clock, in Room 1302

The following Members were present:

Mr. Baldus	Mr.	Mr.
Mr. Akaka	Mr.	Mr.
Mr. Coelho	Mr.	Mr.
Mr. Stenholm	Mr.	Mr.
Mr. Hagedorn	Mr.	Mr.
Mr. Hopkins	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Glenda Temple, Clerk
Al Zepp, Subcommittee Staff Consultant
George Dunsmore, Staff Assistant

Witnesses:

1. Mr. Herbert L. Forest, Director, Dairy Division, Agricultural Marketing Service, U.S. Department of Agriculture.

   Acc. by: Mr. John H. Sandor, Office of General Counsel, USDA.

Statements Filed:

None

Tuesday, July 17, 1979
Dairy and Poultry Subcommittee
Public Hearing
Federal Milk Marketing Orders

Chairman Baldus called the meeting to order and recognized Mr. Forest for a discussion of the milk marketing order program. Following his presentation, Mr. Forest was questioned by the Members of the Subcommittee.

At 11:42 a.m. the meeting was adjourned to reconvene on Wednesday, July 18, at 10:00 a.m. to hear public witnesses on the same subject.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, July 17, 1979

Joint
(Sub) Committee on Conservation and Credit, and Forests

Meeting: Public Hearing

Subject: Forestry Loan Act of 1979

Bill Nos. H.R. 4718

The Joint (Sub) Committees met in Open Session at 10:00 a.m. o'clock, in Room 1301

The following Members were present:

Conservation and Credit	Forests	
Mr. Jones, Tenn., Chrm	Mr. Weaver, Chrm	Mr.
Mr. Huckaby	Mr. Anthony	Mr.
Mr. Hance	Mr. Huckaby	Mr.
Mr. Bedell	Mr. Coelho	Mr.
Mr. Hopkins	Mr. Nolan	Mr.
Mr.	Mr. Johnson	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Fowler C. West, Staff Director
Robert M. Bor, Chief Counsel
Bob Franks, Associate Counsel
Gary Norton, Assistant Counsel
Bernard Brenner, Press Secretary
Peggy Thomson, Subcommittee Staff Consultant
Bob Cashdollar, Subcommittee Staff Consultant
Rita DiSimone, Staff Assistant
Jim Jones, Staff Assistant
Nick Ashmore, Staff Assistant
Eleanor Walsh, Staff Assistant

Witnesses:

1. Mr. Philip Thornton, Deputy Chief, State and Private Forestry, U.S. Forest Service, Department of Agriculture

   Acc. by: Mr. Bob Garrett, Program Specialist, Farmers Home Administration, Department of Agriculture

2. Mr. J. Walter Myers, Executive Vice President, Forest Farmers Association, Atlanta, Georgia

3. Mr. Clark Cosse, Southern Forest Products Association, New Orleans, Louisiana

4. Mr. William H. Mathews, Executive Director, Louisiana Forestry Association, Alexandria, Louisiana

5. Mr. Rexford A. Resler, American Forestry Association, Washington, D. C.

6. Mr. Don Powell, National Forest Products Association, Washington, D.C.

7. Mr. Charles Callison, Public Lands Institute, Denver, Colorado

Statements Filed:

1. Section-by-section analysis of H.R. 4718 and a comparison between H.R. 3049 and H.R. 4718

Tuesday, July 17, 1979
Subcommittee on Conservation and
Credit, and Forests
Public Hearing
Forestry Loan Act of 1979
H.R. 4718

Chairman Weaver called the meeting to order and presented an opening statement. Mr. Huckaby was then recognized for his comments.

Upon completion of the statements by the Members, the witnesses listed on page two of these minutes were recognized for their prepared testimony. Following presentation of their testimony, the witnesses were questioned by the Members of the Subcommittees.

Chairman Weaver recessed the meeting at 12:20 p.m. to reconvene at 2:00 p.m. this date.

Eleanor Walsh

Eleanor Walsh

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, July 17, 1979

(Sub) Committee Forests; Conservation and Credit

Meeting: Joint Public Hearing

Subject: Forestry Loan Act of 1979

Bill Nos. H.R. 4718 and related bills

The Forests and Conservation and Credit (Sub) Committees

met in open Session at 2:00 o'clock, in Room 1301.

The following Members were present:

Forests	Conservation and Credit	
Mr. Weaver	Mr. Jones (Tenn.)	Mr.
Mr. Anthony	Mr. Harkin	Mr.
Mr. Huckaby	Mr. Huckaby	Mr.
Mr. Johnson	Mr. Brown	Mr.
Mr.	Mr. Marlenee	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Glenda Temple, Clerk
Peggy Thomson, Subcommittee Staff Consultant
Bob Cashdollar, Subcommittee Staff Consultant
Rita DiSimone, Staff Assistant

Witnesses:

1. Mr. Arthur Mitchell of Baton Rouge, Louisiana, for the Independent Bankers of America.

2. Mr. Vondal S. Gravlee of Birmingham, Alabama, for the National Association of Homebuilders.

   Acc. by: Mr. Robert D. Bannister, Senior Vice President for Government Affairs, National Association of Homebuilders.

3. Mr. Charles L. Boothby, Executive Secretary, National Association of Conservation Districts, Washington, D.C.

Statements Filed:

None

Tuesday, July 17, 1979
Forests and Conservation and Credit
Subcommittees
Joint Public Hearing
Forestry Loan Act of 1979
H.R. 4718 and related bills

Acting Chairman Huckaby called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on the Forestry Loan Act of 1979. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittees.

The Acting Chairman announced that field hearings would be held on the legislation on July 20 and 21. At 3:12 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, July 18, 1979

XXX (Sub) Committee Full

Meeting: Business

Subject: Federal Crop Insurance Program; Wheat Sales

Bill Nos. H.R. 4119

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 o'clock, in Room 1301.

The following Members were present:

Mr. Foley	Mr. Whitley	Mr. Wampler
Mr. de la Garza	Mr. Coelho	Mr. Sebelius
Mr. Jones (Tenn.)	Mr. Daschle	Mr. Symms
Mr. Bowen	Mr. Hance	Mr. Johnson
Mr. Rose	Mr. Anthony	Mr. Madigan
Mr. Weaver	Mr. Stenholm	Mr. Jeffords
Mr. Baldus	Mr.	Mr. Kelly
Mr. Harkin	Mr.	Mr. Grassley
Mr. Bedell	Mr.	Mr. Coleman
Mr. English	Mr.	Mr. Marlenee
Mr. Fithian	Mr.	Mr. Hopkins
Mr. Panetta	Mr.	Mr. Thomas
Mr. Skelton	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Glickman	Mr.	
Mr. Akaka	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Gene Moos, Staff Analyst

Witnesses:

The following represented the United States Department of Agriculture and responded to questions concerning the Federal Crop Insurance Program:

1. Dr. Ed Schu, Deputy Under Secretary for International Affairs and Commodity Programs.

2. Mr. James D. Deal, Manager, Federal Crop Insurance Corporation.

Statements Filed:

None

Wednesday, July 18, 1979
Full Committee
Business Meeting
Federal Crop Insurance Program
H.R. 4119

Action Taken:

-- Mr. English and Mr. Sebelius appointed as a Committee to draft letter to Secretary concerning wheat sales.

-- Thomas substitute amendment to Bedell amendment agreed to by a voice vote.

-- By show of hands vote of 16 yeas-3 nays Bedell amendment, as amended, adopted.

-- By voice vote Fithian amendment to Jones (Tenn.) substitute amendment to Grassley amendment not approved.

-- By roll call vote of 23 yeas-14 nays Jones (Tenn.) substitute amendment agreed to.

-- By voice vote Grassley amendment, as amended, adopted.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1.	Mr. de la Garza	13.	Mr. Madigan
2.	Mr. Jones (Tenn.)	14.	Mr. Hopkins
3.	Mr. Weaver	15.	Mr. Thomas
4.	Mr. Bedell	16.	Mr. Foley
5.	Mr. English	17.	Mr. Daschle
6.	Mr. Whitley	18.	Mr. Baldus
7.	Mr. Coelho	19.	Mr. Akaka
8.	Mr. Hance	20.	Mr. Sebelius
9.	Mr. Anthony	21.	Mr. Marlenee
10.	Mr. Stenholm	22.	Mr. Symms
11.	Mr. Wampler	23.	Mr. Skelton
12.	Mr. Johnson	24.	Mr. Huckaby

Twenty-four Members having responded, a quorum was established.

The first item of business was consideration of a draft letter to the Secretary concerning sales of wheat to foreign nations (copy attached). Discussion occurred on the proposal. Mr. English and Mr. Sebelius were appointed to serve as a Committee to draft a letter and submit it to the Committee for approval.

Wednesday, July 18, 1979
Full Committee
Business Meeting
Federal Crop Insurance Program
H.R. 4119

The Committee turned to further consideration of H.R. 4119, to expand and improve the Federal Crop Insurance Program. The pending business was the amendment by Mr. Grassley and substitute amendment by Mr. Jones (Tenn.), copies attached. (See also minutes of July 12). Due to a conflict Mr. Grassley was delayed in arriving at Committee and the amendments were passed over without prejudice.

Mr. Bedell offered an amendment to section 7 to limit the amount of coverage on which a subsidy was paid to $200,000 per crop, as follows:

On page 9, line 6, insert "any" after "to", and change "commodities" on lines 6 and 9 to "commodity".

Discussion occurred on the amendment.

Mr. Thomas offered the following substitute amendment which would delete language adopted by the Subcommittee:

Page 9, line 4, strike the comma and all that follows in the sentence after the word "Corporation" and insert a period.

Discussion continued. By a voice vote the Thomas substitute amendment was agreed to. By a show of hands vote of 16 yeas-3 nays the Bedell amendment, as amended, was approved.

Without objection the Committee returned to consideration of the Grassley amendment and Jones (Tenn.) substitute amendment thereto. Discussion occurred on the amendments.

Mr. Fithian offered the following amendment to the Jones (Tenn.) substitute amendment:

Strike out the semicolon on the fifth from the last line and all that follows and insert a period in lieu thereof.

The Fithian amendment would delete the subsidy contained in the Jones (Tenn.) substitute amendment for wind, fire, and hail damage. Discussion continued.

By a voice vote the Fithian amendment to the Jones (Tenn.) substitute amendment was not agreed to. By a show of hands vote of 13 yeas-10 nays the Jones (Tenn.) substitute was agreed to. Mr. Grassley requested a recorded vote and 8 Members voted to sustain the request. The vote follows:

Wednesday, July 18, 1979
Full Committee
Business Meeting
Federal Crop Insurance Program
H.R. 4119

Y E A S

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Bowen
4. Mr. Harkin
5. Mr. Bedell
6. Mr. Fithian
7. Mr. Panetta
8. Mr. Whitley
9. Mr. Coelho
10. Mr. Daschle
11. Mr. Hance
12. Mr. Stenholm
13. Mr. Jones (N.C.) (proxy to Mr. Jones) (Tenn.)
14. Mr. Mathis (proxy to Mr. Jones) (Tenn.)
15. Mr. Brown (proxy to Mr. Jones) (Tenn.)
16. Mr. Rose (proxy to Mr. Jones) (Tenn.)
17. Mr. Richmond (proxy to Mr. Jones) (Tenn.)
18. Mr. Baldus
19. Mr. Akaka (proxy to Mr. Jones) (Tenn.)
20. Mrs. Heckler (proxy to Mr. Madigan)
21. Mr. Jeffords
22. Mr. Madigan
23. Mr. Foley (proxy to Mr. de la Garza)

N A Y S

1. Mr. English
2. Mr. Glickman
3. Mr. Wampler
4. Mr. Sebelius
5. Mr. Johnson
6. Mr. Kelly
7. Mr. Grassley
8. Mr. Coleman
9. Mr. Marlenee
10. Mr. Hopkins
11. Mr. Findley (proxy to Mr. Madigan)
12. Mr. Symms (proxy to Mr. Wampler)
13. Mr. Hagedorn (proxy to Mr. Wampler)
14. Mr. Thomas (proxy to Mr. Wampler)

Thus, by a roll call vote of 23, yeas-14 nays the Jones (Tenn.) substitute amendment to the Grassley amendment was adopted. By a voice vote the Grassley amendment, as amended, was approved.

At 12:07 p.m. the meeting was adjourned, to reconvene at 10:30 a.m. on Thursday, July 19, to continue consideration of the bill, H.R. 4119.

Glenda Temple

56-383 O - 80 - 7

(DRAFT)

Dear Mr. Secretary:

Recently, you have been quoted as saying that you believe the Soviet Union has already purchased, in the fourth year of the US-USSR grain agreements, all the wheat and corn -- 8 million metric tons (M.M.T.) -- that they are allowed to purchase in any one year without prior consultation with our government. You went on to say that, although the Soviets at this time have not requested approval for additional purchases, you did expect such approval would be under discussion at the US-USSR grain pact meeting scheduled for this autumn. Further, you stated that delaying any decision on such approval until this fall has the added benefit of allowing our government officials additional time to properly assess total US grain production for this year.

The Committee commends you for taking this practical approach to approving any additional sales to the Soviets; however, it also would bring to your attention the fact that the United States is presently harvesting a bumper, if not a record, wheat crop. Under these circumstances, it would appear that the US might encourage the Soviets to take another 2 to 3 M.M.T. of wheat during the interim period before a more precise decision is made regarding additional grain availabilities.

During the first three years of the grains agreement, the Soviets purchased in 1976-1977 -- 3.064 M.M.T. of wheat and 3.052 M.M.T. of corn, in 1977-1978 -- 3.453 M.M.T. of wheat and 11.132 M.M.T. of corn and in 1978-1979, thus far, -- 3.365 M.M.T. of wheat and 11.322 M.M.T. of corn. Given this kind of purchase record, it would appear that the Soviets may not buy more than the minimum requirement of wheat in the fourth year of the agreement unless they receive additional encouragement from the United States.

The Committee thanks you in advance for consideration of its views.

Sincerely,

AMENDMENT TO H.R. 4119

Offered by Mr. Grassley

Page 7, line 12, immediately after the semicolon, insert:

"(2) by changing the period at the end of the second sentence to a colon and adding the following proviso:

'Provided, That insurance against losses due to hail, lightning or fire offered by the Corporation to the producers of agricultural commodities shall be offered only at the option of such producer and in the event the producer does not desire such coverage in the all-peril policy offered by the Corporation a deduction shall be made from the total premium cost of that portion of the total cost attributable to the hail, lightning or fire coverage; however, the premium subsidy on such limited-peril policy offered by the Corporation and provided for elsewhere in this section for the all-peril policy shall not be reduced by reason of the exercise of such option by the producer if the producer obtains a hail, lightning or fire policy from a private insurer.'"

Explanation

This amends section 508(a) of the Federal Crop Insurance Act by offering a producer the option to purchase his hail insurance in the private sector while receiving the same premium subsidy as those producers who do not exercise such option.

Conforming technical amendment: Renumber the following paragraphs in section 6.

AMENDMENT IN THE NATURE OF A SUBSTITUTE

Offered by MR. JONES (Tenn.)

To the Amendment of MR. GRASSLEY

Page 7, line 12, immediately after the semicolon, insert:

"(2) by changing the period at the end of the second sentence to a colon and adding the following proviso:

'Provided, That in the discretion of the Board, insurance against losses due to hail, lightning or fire offered by the Corporation to the producers of agricultural commodities shall be offered only at the option of such producer and in the event the producer does not desire such coverage in the all-peril policy offered by the Corporation a deduction shall be made from the total premium cost of that portion of the total cost attributable to the hail, lightning or fire coverage; however, the premium subsidy on such limited-peril policy offered by the Corporation and provided for elsewhere in this section for the all-peril policy shall not be reduced by reason of the exercise of such option by the producer if the producer obtains a hail, lightning or fire policy from a private insurer.'".

Explanation

This amends section 508(a) of the Federal Crop Insurance Act by offering a producer the option, in the discretion of the Board, to purchase his hail insurance in the private sector while receiving the same premium subsidy as those producers who do not exercise such option.

Conforming technical amendment: renumber the following paragraphs in section 6.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, July 18, 1979

(Sub) Committee on Dairy and Poultry

Meeting: Public Hearing

Subject: Milk Marketing Orders

Bill Nos. none

The Dairy and Poultry (Sub) Committee

met in Open Session at 10:07 am o'clock, in Room 1302 LHOB.

The following Members were present:

Mr. Baldus	Mr.	Mr.
Mr. Akaka	Mr.	Mr.
Mr. Coelho	Mr.	Mr.
Mr. Jeffords	Mr.	Mr.
Mr. Hopkins	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Al Zepp, Subcommittee Staff Consultant
George Dunsmore, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Dr. Truman Graf, Department of Agricultural Economics, University of Wisconsin, Madison, Wisconsin

2. Mr. Lynn Elrod, Associated Milk Producers, Inc., San Antonio, Texas

3. Mr. Joseph J. Westwater, Dairymen, Inc., Louisville, Kentucky

4. Mr. Leland Mulder, President of Wisconsin Farmers Union, for National Farmers Union, Washington, D.C.
   accompanied by: Mr. Douglas J. Caruso, General Manager, Farmers Union Milk Marketing Cooperative

5. Mr. E. Lynwood Tipton, Milk and Ice Cream Foundation, Washington, D.C.

Statements Filed:

H. Doc. 75-94. Letter from Chairman, Federal Trade Commission, transmitting a report "Summary Report on Conditions With Respect to the Sale and Distribution of Milk and Dairy Products"

Testimony of Ellen Haas, Community Nutrition Institute

Wednesday, July 18, 1979
Subcommittee on Dairy and Poultry
Public Hearing
Milk Marketing Orders

Chairman Baldus called the meeting to order and recognized the witness in the order listed on page two for their prepared testimony and responses to questions as appearing in the record.

During the meeting, recesses were taken at 10:15 and 10:30 to enable Members to vote on the House Floor and in full Committee.

The meeting was adjourned at 12 noon to reconvene at 2:00 p.m. this date to hear further testimony on this subject.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, July 18, 1979

(Sub) Committee on Dairy and Poultry

Meeting: Public Hearing

Subject: Milk Marketing Orders

Bill Nos. None

The Dairy and Poultry (Sub) Committee met in ~~Open~~ Session at 2:00 p.m. o'clock, in Room 1302 LHOB.

The following Members were present:

Mr. Baldus	Mr.	Mr.
Mr. Jeffords	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Al Zepp, Subcommittee Staff Consultant
George Dunsmore, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Mr. Murray Hammerman, Executive Director, Milk Processors Association, New York

2. Mr. James Kluger of Michael's Dairies, Philadelphia, for National Association for Milk Marketing Reform, Washington, D.C., accompanied by: Mr. Harry G. Shupe, Assistant Counsel

3. Mr. Thomas Ottery of Fond du Lac, Wisconsin, Secretary, National Federation of Milk Haulers Associations and Secretary, Wisconsin Milk Haulers Association

4. Mr. J. Fred Davis, Southern Milk Producers Cooperative, San Antonio, Texas

5. Mr. Joseph Oberweis, Oberweis Dairies, Aurora, Illinois

6. Mr. Patrick Healy, Secretary, National Milk Producers Federation, Washington, D.C.

Statements Filed:

Supporting documents by Mr. Oberweis, to be included at the discretion of the Chairman

Wednesday, July 18, 1979 - P.M.
Subcommittee on Dairy and Poultry
Public Hearing
Milk Marketing Orders

Chairman Baldus called the meeting to order and recognized the witnesses listed on page two for their prepared testimony and responses to questions as appearing in the record.

One recess was taken at 2:30 to enable Members to respond to a vote on the House Floor.

The meeting was adjourned at 3:30 p.m. to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, July 19, 1979

(Sub) Committee Full

Meeting: Business

Subject: Prohibit marketing penalty on prison-grown peanuts; Federal Crop Insurance Program; wheat sales

Bill Nos. H.R. 998; H.R. 4119

The Full (Sub) Committee met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr. Huckaby	Mr. Wampler
Mr. de la Garza	Mr. Glickman	Mr. Sebelius
Mr. Jones (Tenn.)	Mr. Akaka	Mr. Symms
Mr. Mathis	Mr. Whitley	Mr. Madigan
Mr. Brown	Mr. Coelho	Mr.s Heckler
Mr. Rose	Mr. Daschle	Mr. Grassley
Mr. Richmond	Mr. Hance	Mr. Hagedorn
Mr. Nolan	Mr. Anthony	Mr. Coleman
Mr. Weaver	Mr. Stenholm	Mr. Marlenee
Mr. Baldus	Mr.	Mr. Hopkins
Mr. Harkin	Mr.	Mr. Thomas
Mr. Bedell	Mr.	Mr.
Mr. English	Mr.	Mr.
Mr. Fithian	Mr.	Mr.
Mr. Panetta	Mr.	
Mr. Skelton	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Jim Davis, Subcommittee Staff Consultant
Bob Cashdollar, Subcommittee Staff Consultant

Witnesses:

The following represented the United States Department of Agriculture concerning consideration of H.R. 4119, the Federal Crop Insurance Program:

1. Hon. James Williams, Deputy Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C.

2. Mr. Otto Johnson, Deputy Manager, Federal Crop Insurance Corporation, U.S. Department of Agriculture, Washington, D.C.

3. Mr. Everett Sharp, Director of Actuarial Division, FCIC, U.S. Department of Agriculture, Washington, D.C.

Statements Filed:

None

U.S. GOVERNMENT PRINTING OFFICE 21-468-b

Thursday, July 19, 1979
Full Committee
Business Meeting
Prohibit marketing penalty on prison-grown peanuts; Federal Crop Insurance program; draft letter on wheat sales
H.R. 998; H.R. 4119

Action Taken:

-- By unanimous voice vote H.R. 998, as amended, ordered favorably reported to the House in the presence of a quorum.

-- By show of hands vote of 13 yeas-13 nays Glickman amendment to Daschle amendment not agreed to.

-- By voice vote English substitute amendment to Daschle amendment not approved.

-- By roll call vote of 13 yeas-29 nays Daschle amendment not adopted.

-- By show of hands vote of 8 yeas-7 nays Mathis motion to adjourn agreed to.

Acting Chairman de la Garza called the meeting to order and recognized Mr. Mathis, Chairman of the Subcommittee on Oilseeds and Rice, for a report on the bill, H.R. 998, as amended, to amend the Agricultural Adjustment Act of 1938 to exempt State prison farms from paying marketing quota penalties. A copy of the language with Subcommittee amendment attached.

Discussion occurred and Mr. Mathis moved that the bill, as amended, be favorably reported to the House. By a unanimous voice vote in the presence of a quorum (25 Members present at the time the vote was taken) the motion was agreed to and H.R. 998, as amended, was ordered reported to the House with the recommendation that it do pass. Members were given five legislative days in which to submit any views on the legislation and staff was given permission to make any clerical or technical changes. Mr. Mathis asked that the bill be considered on either the Consent or Suspension of the Rules Calendar.

The Committee heard Deputy Secretary Williams express support for crop insurance legislation. Discussion occurred on H.R. 4119.

Mr. Daschle offered an amendment to section 7, on page 9, line 1, to change 30 percent to 40 percent. The amendment would increase the subsidy. Discussion occurred on the amendment.

Thursday, July 19, 1979
Full Committee
Business Meeting
Prohibit marketing penalty on prison-grown peanuts; Federal Crop Insurance Program; draft letter on wheat sales
H.R. 998; H.R. 4119

Mr. Glickman offered the following amendment to the Daschle amendment:

> Page 9, line 1, immediately after "30 percent" insert "(but not less than 30 percent nor more than 50 percent during the first two complete fiscal years of the program)".

Discussion continued and Mr. English offered a substitute amendment to the Daschle amendment, as follows:

> On page 9, line 1, after the comma after "program" strike the words "30 per centum of each producer's premium" and insert "not less than $600 million shall be expended each year for the purpose of assisting producers with the payment of the premium".

Discussion continued. By a show of hands vote of 13 yeas-13 nays the Glickman amendment to the Daschle amendment was not agreed to. By a voice vote the English substitute amendment was not approved. By a show of hands vote of 8 yeas-19 nays the Daschle amendment was not agreed to. Mr. English requested a recorded vote on the Daschle amendment, and 8 Members voted to sustain the request. The vote follows:

Y E A S

1. Mr. Nolan
2. Mr. Weaver
3. Mr. Harkin
4. Mr. English
5. Mr. Huckaby
6. Mr. Glickman
7. Mr. Daschle
8. Mr. Hance
9. Mr. Stenholm
10. Mr. Marlenee
11. Mr. Bowen (proxy to Mr. Daschle)
12. Mr. Johnson
13. Mr. Anthony

Thursday, July 19, 1979
Full Committee
Business Meeting
Prohibit marketing penalty on prison-grown peanuts; Federal Crop Insurance Program; draft letter on wheat sales

N A Y S

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Mathis
4. Mr. Brown
5. Mr. Baldus
6. Mr. Bedell
7. Mr. Fithian
8. Mr. Panetta
9. Mr. Skelton
10. Mr. Whtley
11. Mr. Coelho
12. Mr. Wampler
13. Mr. Sebelius
14. Mr. Madigan
15. Mrs. Heckler
16. Mr. Grassley
17. Mr. Hagedorn
18. Mr. Coleman
19. Mr. Thomas
20. Mr. Jones (N.C.)(proxy to Mr. Jones)(Tenn.)
21. Mr. Rose (proxy to Mr. Jones) (Tenn.)
22. Mr. Richmond (proxy to Mr. Jones) (Tenn.)
23. Mr. Akaka (proxy to Mr. Jones) (Tenn.)
24. Mr. Symms (proxy to Mr. Sebelius)
25. Mr. Jeffords (proxy to Mr. Wampler)
26. Mr. Kelly (proxy to Mr. Wampler)
27. Mr. Hopkins (proxy to Mr. Wampler)
28. Mr. Foley (proxy to Mr. de la Garza)
29. Mr. Findley (proxy to Mr. Wampler)

Thus, by a roll call vote of 13 yeas-29 nays the Daschle amendment was not agreed to.

Mr. English offered the attached draft letter to the Secretary for consideration by the Committee. Discussion occurred. Mr. Daschle suggested that the Soviet Union be specifically cited but did not offer it as an amendment. Discussion continued and Mrs. Heckler asked that the record reflect her complete objection to sending a letter to the Secretary. Discussion continued.

Mr. Mathis moved that the Committee adjourn and by a show of hands vote of 8 yeas-7 nays the motion was agreed to.

At 12:10 p.m. the meeting was adjourned, to reconvene at 10:30 a.m. on Friday, July 20, for continued consideration of legislation to amend the Federal Crop Insurance Program and approval of language to be used in a letter to the Secretary urging further sales of wheat to foreign nations.

Glenda Temple

AS REPORTED BY THE SUBCOMMITTEE ON OILSEEDS AND RICE
JUNE 26, 1979

96TH CONGRESS
1ST SESSION

H. R. 998

To amend the Agricultural Adjustment Act of 1938, as amended, to exempt State prison farms from paying of marketing quota penalties.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 1979

Mr. DE LA GARZA introduced the following bill; which was referred to the Committee on Agriculture

---

A BILL

To amend the Agricultural Adjustment Act of 1938, as amended, to exempt State prison farms from paying of marketing quota penalties.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, section ~~373~~ 372(d) of the Agricultural Adjustment Act of 1938, as amended, is further amended to add a new sentence as follows: "Effective with the 1978 crops, no penalty shall be collected under this Act with respect to the marketing of any agricultural commodity grown on State prison farms for consumption within such State prison system.".

DRAFT

Dear Mr. Secretary:

It has come to the attention of the Committee that as a result of a bumper wheat harvest, forecast to be 2.1 billion bushels, the U.S. wheat supply in 1979-80 will be one of the largest in the nation's history.

With this in mind, and in order to facilitate the orderly marketing and transportation of this huge supply and avoid missing sales opportunities, the Agriculture Committee of the House of Representatives strongly urges you to make every effort to expedite the sale of wheat to any and all foreign nations expressing an interest in such purchases.

56-383 O - 80 - 8

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, July 19, 1979

(Sub) Committee on Forests

Meeting: Public Hearing

Subject: To Change Certain Requirements Applicable to Purchasers of Timber from National Forests

Bill Nos. H.R. 4498

The Forests (Sub) Committee met in Open Session at 10:00 a.m. o'clock, in Room 1302 LHOB

The following Members were present:

Mr. Weaver, Chairman	Mr. Johnson	Mr.
Mr. Anthony	Mr. Symms	Mr.
Mr. Huckaby	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Peggy Thomson, Subcommittee Staff Consultant
Rita DiSimone, Staff Assistant
Eleanor Walsh, Staff Assistant

Witnesses:

1. Dr. M. Rupert Cutler, Assistant Secretary for Conservation, Research, and Education, U.S. Department of Agriculture

   Acc. by: Mr. Seymour Fiekowsky, Assistant Director (Business Taxation), Office of Tax Anaylsis, Department of the Treasury

   Mr. Michael W. Melton, Attorney-Advisor, Office of Tax Legislative Counsel, Department of the Treasury

2. Mr. Fred Gragg, International Paper Company, New York, N. Y.

3. Mr. R. Dennis Scott, International Woodworkers of America, Portland, Oregon

4. Mr. Vondal Gravlee, President, National Association of Home Builders, Washington, D. C.

   Acc. by: Mr. Robert D. Bannister, Senior Staff Vice President for Governmental Affairs, National Association of Home Builders, Washington, D. C.

5. Mr. John A. Davenport, Western Forest Industries Association, Portland, Oregon

Statements Filed:

Thursday, July 19, 1979
Subcommittee on Forests
Public Hearing
To Change Certain Requirements
Applicable to Purchasers of
Timber from National Forests
H.R. 4498

Chairman Weaver called the meeting to order and after an opening statement recognized the witnesses listed on page 2 of these minutes for their prepared testimony and questioning as appearing in the record.

The meeting was recessed at 10:39 a.m., 11:02 a.m., and 11:58 a.m. to enable Members to record their votes on the House Floor and to vote in full Committee.

At 12:17 p.m. the Chairman adjourned the meeting to reconvene at 2:00 p.m. this date.

Eleanor Walsh

Eleanor Walsh

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, July 19, 1979

(Sub) Committee on Forests

Meeting: Public Hearing

Subject: To change certain requirements applicable to purchasers of timber from National forests

Bill Nos. H.R. 4498

The Forests (Sub) Committee

met in Open Session at 2:05 P.m. o'clock, in Room 1302 LHOB

The following Members were present:

Mr. Weaver	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Peggy Thomson, Subcommittee Staff Consultant
Rita DiSimone, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Dr. John Muench and Mr. Gene Bergoffen, National Forests Products Association, Washington, D.C.
2. Mr. Thomas J. Barlow, Natural Resources Defense Council, Washington, D.C
3. Mr. Richard Pardo, American Forestry Association, Washington, D.C.
4. Mr. Charles Boothby, National Association of Conservation Districts, Washington, D.C.
5. Mr. Arnold Ewing, North West Timber Association, Eugene, Oregon

Statements Filed:

Reprint of article from I.W. of A. Local 3-536 News, Longview, Washington

Statement of The Public Lands Institute, Denver, Colorado

Thursday, July 19, 1979 P.M.
Subcommittee on Forests
Public Hearing
H.R. 4498

Chairman Weaver called the meeting to order and recognized the witnesses listed on page two for their prepared testimony and questioning as appearing in the record.

The meeting was recessed at 2:15 and 3:30 to enable Members to respond to rollcall votes on the House Floor.

The meeting was adjourned at 4:10 p.m. to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, July 19, 1979

(Sub) Committee Department Investigations, Oversight, and Research

Meeting: Public Hearing

Subject: Plant Variety Protection Act Clarification

Bill Nos. H.R. 999

The Department Investigations, Oversight, and Research (Sub) Committee met in open Session at 2:30 o'clock, in Room 1301.

The following Members were present:

Mr. de la Garza	Mr.	Mr.
Mr. Fithian	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Wampler	Mr.	Mr.
Mr. Heckler	Mr.	Mr.
Mr. Grassley	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Tony Imhof, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bert Pena, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant

Witnesses:

1. Mr. Bernard Leese, Commissioner, Plant Variety Protection Office, Livestock, Poultry, Grain and Seed Division, Agricultural Marketing Service, U.S. Department of Agriculture.

   Acc. by: Ms. Barbara Schlei, Administrator, Agricultural Marketing Service.

2. Mr. James W. Chaney, Keystone Seed Co., Hollister, California.

3. Dr. Henry R. Fortmann, Pennsylvania State University, University Park, Pennsylvania, as Chairman, Seed Policy Subcommittee of Experiment Station Committee on Organization and Policy.

4. Mr. Willaim D. MacDowell, President and Chief Executive Officer, W. Atlee Burpee Co., Warminster, Pennsylvania.

5. Mr. Foil W. McLaughlin, Director, Association of Official Seed Certifying Agencies, North Carolina State University, Raleigh, North Carolina.

6. Mr. Harold D. Loden, Executive Vice President, American Seed Trade Association, Washington, D.C., and Executive Vice President, National Council of Plant Breeders.

7. Mr. Cary Fowler, Director, Resource Center, National Sharecroppers Fund, Charlotte, North Carolina.

8. Mr. Gary Paul Nabhan, Agricultural Botanist, Department of Plant Sciences, University of Arizona, Tucson, Arizona.

9. Mr. Dan McCurry, Consumers Federation of America, Chicago, Illinois.

Statements Filed:

1. Hon. Dante B. Fascell, Member of Congress from Florida.

2. Mr. Stan Rollin, Seed Consultant, 6802 Orem Drive, Laurel, Maryland.

3. Hon. Ray Roberts, Member of Congress from Texas.

Thursday, July 19, 1979
Department Investigations, Oversight,
and Research
Public Hearing
Plant Variety Protection Act Clarification
H.R. 999

Chairman de la Garza called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on legislation to amend the Plant Variety Protection Act to clarify its provisions. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

During the proceedings a recess was taken at 3:25 p.m. to enable Members to respond to a recorded vote on the House Floor. At 5:00 p.m. the meeting was adjourned to reconvene, subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Friday, July 20, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: Federal Crop Insurance Program; Wheat sales

Bill Nos. H.R. 4119

The ~~Full~~ (Sub) Committee

met in ~~open~~ Session at ~~10:30~~ o'clock, in Room ~~1301~~.

The following Members were present:

Mr. de la Garza	Mr. Hance	Mr. Wampler
Mr. Jones (N.C.)	Mr. Stenholm	Mr. Sebelius
Mr. Jones (Tenn.)	Mr.	Mr. Findley
Mr. Brown	Mr.	Mr. Symms
Mr. Weaver	Mr.	Mr. Madigan
Mr. Baldus	Mr.	Mrs. Heckler
Mr. Bedell	Mr.	Mr. Jeffords
Mr. English	Mr.	Mr. Grassley
Mr. Fithian	Mr.	Mr. Hagedorn
Mr. Panetta	Mr.	Mr. Coleman
Mr. Skelton	Mr.	Mr. Marlenee
Mr. Glickman	Mr.	Mr. Hopkins
Mr. Akaka	Mr.	Mr. Thomas
Mr. Whitley	Mr.	Mr.
Mr. Coelho	Mr.	
Mr. Daschle	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant

Witnesses:

The following represented the U.S. Department of Agriculture and responded to Member's questions concerning the legislation:

1. Mr. Larry Meyers, Office of Congressional Affairs, USDA.

2. Mr. Otto Johnson, Deputy Manager, Federal Crop Insurance Corporation, USDA.

Statements Filed:

None

Friday, July 20, 1979
Full Committee
Business Meeting
Federal Crop Insurance Program;
Wheat sales
H.R. 4119

Action Taken:

-- Without objection, Jones (Tenn.) report language to accompany Grassley amendment on reinsurance agreed to.

-- By unanimous voice vote Grassley amendment on reinsurance adopted.

-- Without objection Bedell amendment on foreign ownership of land withdrawn.

-- Without objection, Jones (Tenn.) technical amendment to meet Budget Act requirements adopted.

-- By show of hands vote of 8 yeas-9 nays Brown amendment to draft letter to Secretary not approved.

-- Without objection, Fithian and Baldus suggested language to letter to Secretary withdrawn.

-- By show of hands vote of 17 yeas-0 nays Stenholm amendment to draft letter adopted.

-- By show of hands vote of 19 yeas-2 nays language to be incorporated in letter to Secretary from Chairman agreed to.

-- Without objection Marlenee amendment on number of employees revised.

-- By unanimous voice vote Marlenee amendment approved.

-- By roll call vote of 15 yeas-25 nays English amendment to Jones (Tenn.) amendment not approved.

-- By show of hands vote 9 yeas-13 nays English amendment to Madigan substitute amendment to Jones (Tenn.) amendment not adopted.

-- By show of hands vote of 12 yeas-10 nays Glickman amendment to Madigan substitute amendment to Jones (Tenn.) amendment agreed to.

-- By show of hands vote of 25 yeas-0 nays Madigan substitute amendment, as amended, to Jones (Tenn.) amendment approved.

Friday, July 20, 1979
Full Committee
Business Meeting
Federal Crop Insurance Program;
Wheat sales
H.R. 4119

Action Taken Continued:

-- By unanimous voice vote Jones (Tenn.) amendment, as amended, agreed to.

-- By unanimous voice vote Glickman amendment authorizing appropriations agreed to.

-- By roll call vote of 22 yeas-20 nays H.R. 4119, as amended, ordered reported to the House in the presence of a quorum.

Acting Chairman de la Garza called the meeting to order and advised that the pending business at the close of the previous meeting was consideration of a draft letter to the Secretary urging additional wheat sales to foreign nations. He was advised that Mrs. Heckler was detained on the House Floor. The Committee discussed the matter and staff was directed to advise Mrs. Heckler that her right would be preserved until noon, this date, to speak in opposition to the proposed letter.

The Committee resumed consideration of H.R. 4119, a bill to improve and expand the Federal Crop Insurance Program. The rights of Mr. Grassley and Mr. Harkin were preserved to offer amendments to section 7, and discussion occurred on the legislation.

Mr. Grassley offered the attached amendment. Mr. Jones (Tenn.) suggested that report language accompany the amendment to describe the Committee's intent and there was no objection. By a unanimous voice vote the Grassley amendment was then approved.

Mr. Bedell suggested that the following language be inserted on page 9, line 9, immediately after the period: "Provided, That the premium insurance subsidy shall not apply to farmland in which the majority ownership resides with a foreign citizen or foreign citizens residing in foreign lands, or corporations or other entities in which the majority interest rests with foreign citizens residing in foreign lands."

Discussion occurred and without objection the Bedell amendment was withdrawn.

Counsel continued explaining the provisions of the bill, and Mr. Marlenee's right was preserved to offer an amendment to section 9.

Friday, July 20, 1979
Full Committee
Business Meeting
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Mr. Jones (Tenn.) offered the attached technical amendment which was needed as a result of section 401 of the Budget Act as a constraint against backdoor spending. Without objection the amendment was adopted.

Mr. Marlenee offered the attached amendment to limit the number of full-time employees to 200.

Consideration of amendments to H.R. 4119 was suspended and the Committee resumed discussion of the English draft letter to the Secretary regarding wheat sales to foreign nations (see minutes of July 19 for copy of draft). Discussion occurred.

Mr. Brown suggested that the following phrase be added to the end of the letter ", consistent with the need for adequate supplies at fair prices for the United States economy". Discussion occurred and by a show of hands vote of 8 yeas-9 nays the Brown amendment was not agreed to. Mrs. Heckler requested a recorded vote and three Members (an insufficient number) voted to sustain the request.

Mr. Fithian suggested that at the outset of the letter the following language be inserted: "Following a unanimous consent request, the Committee on Agriculture has instructed me by a vote of ___ to ___ to express their views as follows:" and insert text of letter.

Mr. Baldus suggested that the letter could be written and signed by the Members of the Committee desiring to be associated with the letter.

Discussion continued and without objection the Fithian and Baldus proposals were withdrawn.

Mr. Stenholm suggested striking the phrase "expressing an interest in such purchases" and inserting a period after "nations". Discussion occurred and by a show of hands vote of 17 yeas-0 nays the Stenholm amendment was agreed to.

By a show of hands vote of 19 yeas-2 nays the Chairman was instructed to send the letter, as amended, to the Secretary. Mr. Brown and Mrs. Heckler asked that the record reflect they had voted in the negative.

The Committee returned to the consideration of the pending Marlenee amendment. Without objection, Mr. Marlenee revised his

amendment to add the word "permanent" before the word "full-time". By a unanimous voice vote the Marlenee amendment was adopted.

Counsel continued explaining the provisions of the bill. Mr. Jones (Tenn.) offered the attached clarifying amendment to section 12.

Discussion occurred. Mr. English offered the attached amendment to the Jones (Tenn.) amendment, and discussion continued. The English amendment would provide for the simultaneous running of the Federal Crop Insurance Program and the disaster program in planting year 1981.

Discussion continued on the amendments and Mr. Madigan offered the attached substitute amendment to the Jones (Tenn.) amendment. The amendment would allow the Secretary to extend the disaster payment program in those areas where he deems the crop insurance program would not be ready to take over the responsibilities previously assessed under the disaster payment program.

Discussion occurred and Mr. English offered the attached amendment to the Madigan substitute amendment.

Discussion continued and the Engish amendment to the Jones (Tenn.) amendment was not agreed to by a show of hands vote of 7 yeas-12 nays. Mr. English requested a recorded vote and 7 Members voted to sustain the request. The vote follows:

Y E A S

1. Mr. English
2. Mr. Glickman
3. Mr. Daschle
4. Mr. Hance
5. Mr. Stenholm
6. Mr. Sebelius
7. Mr. Coleman
8. Mr. Marlenee
9. Mr. Bowen (proxy to Mr. Hance)
10. Mr. Nolan (proxy to Mr. English)
11. Mr. Weaver
12. Mr. Skelton
13. Mr. Coelho
14. Mr. Anthony (proxy to Mr. Hance)
15. Mr. Johnson (proxy to Mr. Wampler)

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Wheat sales
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N A Y S

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Brown
4. Mr. Baldus
5. Mr. Bedell
6. Mr. Fithian
7. Mr. Panetta
8. Mr. Whitley
9. Mr. Wampler
10. Mr. Symms
11. Mr. Madigan
12. Mr. Grassley
13. Mr. Hagedorn
14. Mr. Hopkins
15. Mr. Thomas
16. Mr. Jones (N.C.)(proxy to Mr. Jones)(Tenn.)
17. Mr. Mathis (proxy to Mr. Jones) (Tenn.)
18. Mr. Rose (proxy to Mr. Jones) (Tenn.)
19. Mr. Richmond (proxy to Mr. Jones) (Tenn.)
20. Mr. Harkin (proxy to Mr. Jones) (Tenn.)
21. Mr. Akaka (proxy to Mr. Jones) (Tenn.)
22. Mr. Findley (proxy to Mr. Wampler)
23. Mrs. Heckler (proxy to Mr.Wampler)
24. Mr. Jeffords (proxy to Mr.Wampler)
25. Mr. Kelly (proxy to Mr. Wampler)

Thus, by a roll call vote of 15 yeas-25 nays the English amendment to the Jones (Tenn.) amendment was not agreed to.

By a show of hands vote of 9 yeas-13 nays the English amendment to the Madigan substitute amendment to the Jones (Tenn.) amendment was not approved.

Mr. Glickman offered the following language to be added to the Madigan substitute amendment:

> ", nor shall it apply in any county for which the Secretary determines that on a national basis continuation of the disaster program for any crop is necessary to achieve compliance with set-aside and diversion programs that may be announced for the 1981 crops."

By a show of hands vote of 12 yeas-10 nays the Glickman amendment to the Madigan substitute amendment was agreed to. By a show of hands vote of 25 yeas-0 nays the Madigan substitute amendment, as amended, was adopted. By a unanimous voice vote, the Jones (Tenn.) amendment, as amended, was approved.

Mr. Glickman offered the attached amendment which extends the authority for appropriations for three years. Discussion occurred and by a unanimous voice vote the amendment was adopted.

Friday, July 20, 1979
Full Committee
Business Meeting
Federal Crop Insurance Program;
Wheat sales
H.R. 4119

Mr. de la Garza announced that he had been advised by Mr. Harkin's staff that if Mr. Harkin decided to offer the amendment contained in his reservation on section 7, he would offer it on the floor.

Mr. Jones (Tenn.) moved that H.R. 4119, as amended, be ordered reported to the House with the recommendation that it do pass. Mr. English requested a recorded vote and 10 Members voted to sustain the request. The vote follows:

Y E A S

1. Mr. de la Garza
2. Mr. Jones (N.C.)
3. Mr. Jones (Tenn.)
4. Mr. Brown
5. Mr. Baldus
6. Mr. Fithian
7. Mr. Panetta
8. Mr. Akaka
9. Mr. Whitley
10. Mr. Coelho
11. Mr. Madigan
12. Mr. Thomas
13. Mr. Mathis (proxy to Mr. Jones)(Tenn.)
14. Mr. Bowen (proxy to Mr. Jones) (Tenn.)
15. Mr. Rose (proxy to Mr. Jones) (Tenn.)
16. Mr. Richmond (proxy to Mr. Jones) (Tenn.)
17. Mr. Daschle
18. Mr. Jeffords (proxy to Mr. Wampler)
19. Mr. Foley (proxy to Mr. de la Garza)
20. Mr. Sebelius
21. Mr. Glickman
22. Mr. Huckaby (proxy to Mr. Jones) (Tenn.)(See minutes July 25)

N A Y S

1. Mr. Bedell
2. Mr. English
3. Mr. Skelton
4. Mr. Hance
5. Mr. Stenholm
6. Mr. Wampler
7. Mr. Symms
8. Mr. Grassley
9. Mr. Coleman
10. Mr. Marlenee
11. Mr. Hopkins
12. Mr. Nolan (proxy to Mr. English)
13. Mr. Weaver (proxy to Mr. English)
14. Mr. Harkin (proxy to Mr. Jones) (Tenn.)
15. Mr. Anthony (proxy to Mr. Hance)
16. Mr. Findley
17. Mr. Johnson (proxy to Mr. Wampler)
18. Mrs. Heckler (proxy to Mr. Wampler)
19. Mr. Kelly (proxy to Mr. Wampler)
20. Mr. Hagedorn

Thus, by a roll call vote of 22 yeas-20 nays the motion was agreed to and H.R. 4119 was ordered reported to the House in the presence of a quorum (28 Members present and voting).

Friday, July 20, 1979
Full Committee
Business Meeting
Federal Crop Insurance Program;
Wheat sales
H.R. 4119

Without objection, staff was given permission to make technical and clerical corrections.

At 1:00 p.m. the meeting was adjourned to reconvene on Tuesday, July 24, at 10:00 a.m. to consider gasohol legislation.

Glenda Temple

AMENDMENT TO H.R. 4119 (COMMITTEE PRINT)

Offered by Mr. Grassley

Page 10, line 15, strike the words "To reinsure," and insert:

"And directed, notwithstanding any other provision of this Act, to reinsure to the maximum extent practicable,".

TECHNICAL AMENDMENT TO COMMITTEE PRINT ON H.R. 4119

Offered by Mr. Jones of Tennessee

Page 13, insert a new sentence at the end of line 16, as follows:

"The borrowing authority provided for in this section may be exercised by the Corporation only to such extent or in such amounts as are provided in appropriation acts."

AMENDMENT TO H.R. 4119

Offered by Mr. Marlenee

Page 12, line 5, immediately after the word "years", insert the following:

: Provided, That no more than two hundred additional full-time employees, in excess of the number of full-time employees employed by the Corporation on the effective date of this Act, may be employed to implement the provisions of this Act except in case of, and only during, emergencies.

AMENDMENT TO COMMITTEE PRINT ON H.R. 4119

By Mr. Jones (Tenn.)

On page 14, strike out the sentence beginning on line 18, and insert in lieu thereof the following:

"Notwithstanding any other provision of law, no person shall be eligible to receive farm disaster payments or prevented planting disaster payments on any such commodity for the 1981 crop year in any county in which Federal crop insurance is generally offered for that agricultural commodity prior to planting under the provisions of the Federal Crop Insurance Act of 1979."

Explanation: The sentence beginning on line 18 has been rewritten to add the underlined words in order to clarify the meaning of the sentence.

AMENDMENT TO H.R. 4119, (COMMITTEE PRINT), TO BE OFFERED BY

MR. ENGLISH

In Section 12, strike the last sentence and insert the following in lieu thereof:

"Notwithstanding any other provision of law, no person who participates in the Federal Crop Insurance Program in the 1981 crop year shall be eligible to receive a premium subsidy for that year if such person qualifies for and accepts a low yield or prevented planting disaster payment for such year."

MADIGAN SUBSTITUTE TO
AMENDMENT TO COMMITTEE PRINT ON H.R. 4119

By Mr. Jones

On page 14, strike out the sentence beginning on line 18, and insert in lieu thereof the following:

"Notwithstanding any other provision of law, no person shall be eligible to receive farm disaster payments or prevented planting disaster payments on any such commodity for the 1981 crop year in any county in which Federal crop insurance is generally offered for that agricultural commodity prior to planting under the provisions of the Federal Crop Insurance Act of 1979: Provided, That the foregoing requirement of this sentence shall not apply if the Secretary determines that on a national basis the protection provided under this Act is inadequate, nor shall it apply in any county for which the Secretary determines that the protection provided by that Act is inadequate.".

ENGLISH AMENDMENT TO MADIGAN AMENDMENT

After the word County in line , insert the following:

"in which there is less than 50 percent participation of the total acreage of major crops in the 1981 crop year, or"

Amendment as revised would read as follows:

"Provided, that the foregoing requirement of this section shall not apply if the Secretary determines that on a national basis the protection provided under that Act is inadequate, nor shall it apply in any County in which there is less than 50 percent participation of the total acreage of major crops in the 1981 crop year, or for which the Secretary determines that the protection provided by that Act is inadequate."

H.R. 4119

Amendment offered by Mr. Glickman

Page 14, line 24, strike the second period and insert in lieu therof "Notwithstanding any other provision of law, beginning with fiscal year 1983, appropriations and borrowing from the U.S. Treasury authorized pursuant to sections 9 and 10 of this Act shall not exceed such amounts as may be authorized by law subsequent to the passage of this Act.".

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Friday, July 20, 1979

(Sub) Committees on Forests and on Conservation and Credit

Meeting: Public Hearing

Subject: Forestry Loan Act of 1979

Bill Nos. H.R. 4718

The Forests and the Conservation and Credit (Sub) Committees met in open Session at 1:00 o'clock, in Room City Hall Monroe, La.

The following Members were present:

Mr.	Huckaby	Mr.	Mr.
Mr.	Anthony	Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	
Mr.		Mr.	

Staff present:

Peggy Thomson, staff

Witnesses:

1. Mr. Randy L. Ewing, Ewing Timber, Incorporated, representing Forestry Association, Jonesboro, Tennessee
2. Mr. Ralph W. Law, Forester, Forest Farmers Association, West Monroe, Louisiana
3. Mr. William May, Consultant Forester, West Monroe, Louisiana
4. Dr. Terry Ozier, Jackson, Mississippi
5. Mr. John Mullens, President and Chief Executive Officer, Olinkraft, Incorporated West Monroe, Louisiana
6. Mr. Bob Wangenstein, International Paper Company, Natchitoches, Louisiana
7. Dr. Leroy Jones, Assistant Area Director of Southeast Region, State and Private Forestry, U.S. Department of Agriculture, Atlanta, Georgia
8. Mr. Don McFatter, Assistant Secretary and State Forester, Louisiana Forestry Commission, Baton Rouge, Louisiana
9. Mr. William Conly, Chairman of Forestry Advisory Committee, Ringgold, Louisiana
10. Mr. Nimrod Andrews, State Director, Farmers Home Administration, Alexandria, Louisiana
11. Mr. Jessie C. DeBruhl, Senior Vice President Federal Intermediate Credit Bank of New Orleans, New Orleans, Louisiana
12. Mr. Warner L. Bruner, Senior Vice President, Federal Land Bank of New Orleans, New Orleans, Louisiana
13. Mr. Lawrence Bingham, President, Federal Land Bank Association Monroe, Louisiana
14. Mr. John W. Porter, President of Home Building Company, Monroe, Louisiana
15. Mr. James A. Butler, Homebuilders Association of Northeast Louisiana West Monroe, Louisiana

Statements Filed: Cont'd on Page 3

Friday, July 20, 1979
Subcommittee on Forests and
on Conservation and Credit
Public Hearing
Forestry Loan Act of 1979
H.R. 4718

WITNESSES Cont'd

16. Mr. William C. Brodie, Area Vice President, Louisiana Homebuilders Association, Monroe, Louisiana

17. Mr. Alden C. Main, Forestry Specialist, Louisiana State University Cooperative Extension Service, Monroe, Louisiana

18. Mr. Howard Lee Jones, Jr., Forester, J.M. Jones Lumber Company Natchez, Mississippi

19. Mr. George R. Cotner, Vice President, Federal Land Bank of New Orleans, New Orleans, Louisiana

Acting Chairman Huckaby (D-La.) called the meeting to order and recognized the witnesses listed on pages 2 and 3 of these minutes to present testimony and answer questions as appearing in the record.

The meeting was adjourned at 4:45 p.m. by Acting Chairman Huckaby.

Peggy Thomson

Peggy Thomson,
Staff

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Saturday, July 21, 1979

(Sub) Committees on Forests and on Conservation and Credit

Meeting: Public Hearing

Subject: Forestry Loan Act of 1979

Bill Nos. H.R. 4718

The Forests and the Conservation and Credit (Sub) Committees met in open Session at 10:00 o'clock, in Room Courtroom, Fed. Off. Bldg., El Dorado, Ark.

The following Members were present:

Mr.	Huckaby	Mr.		Mr.	
Mr.	Anthony	Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.			
Mr.		Mr.			

Staff present:
Peggy Thomson, staff

Witnesses:

1. Mr. Leroy Jones, Assistant Area Director of Southeast Region, State and Private Forestry, US Department of Agriculture, Forest Service Atlanta, Georgia
2. Mr. John A. Nelson, Regional Forester, International Paper Co., Camden, Arkansas
3. Mr. Emory S. Akerman, Fiber Manager, Potlatch Corporation, Warren, Arkansas
4. Mr. Sam D. Crawford, III., Forest Economist, Potlatch Corporation, Warren Arkansas
5. Mr. Gordon D. Hartrick, Retired Forester, State Forestry Committee, Arkansas Association of Conservation Districts, Hamburg, Arkansas
6. Mr. Louis Wilson, Magnolia, Arkansas
7. Mr. James M. White, Vice President, Deltic Farm and Timber Co., Inc., Southern Forest Products Association, Magnolia, Arkansas
8. Mr. Bob G. Blackman, Chairman, Department of Forestry, University of Arkansas - Monticello, Arkansas
9. Mr. R. Larry Willett, Extension Forester, Cooperative Extension Service Department of Forestry, University of Arkansas - Monticello, Arkansas
10. Mr. Jerry T. Davis, President, Davis Forestry Corporation, Monticello, Arkansas
11. Mr. Billy G. Gresham, State Forester, Arkansas Forestry Committee, Little Rock Arkansas
12. Mr. Ross M. Whipple, Executive Director, Ross Foundation, Arkadelphia, Arkansas
13. Mr. Paul Sullivan, Private Property Owner, Beardon Arkansas
14. Mr. James H. Francis, Life Insurance Agent to Weekend Tree Farmer, Little Rock, Arkansas
15. Mr. Roy E. Rood, Project Engineer, ElDorado, Arkansas

Statements Filed:

1. R.D. Rouse, Attorney at Law, Prescott, Arkansas

Saturday, July 21, 1979
Subcommittee on Forests and
on Conservation and Credit
Public Hearing
Forestry Loan Act of 1979
H.R. 4718

Acting Chairman Anthony (D-Ark.) called the meeting to order and recognized the witnesses listed on pages 2 of these minutes to present testimony and answer questions.

The meeting was adjourned at 4:00 p.m. by Acting Chairman Huckaby.

Peggy Thomson

Peggy Thomson,
Staff

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, July 24, 1979

(Sub) Committee on Dairy and Poultry

Meeting: Public Hearing

Subject: Assessment of Secretary of Agriculture of Current Whey Supply Situation

Bill Nos. H.Res. 230

The Dairy and Poultry (Sub) Committee

met in Open Session at 10:25 am. o'clock, in Room 1302 LHOB

The following Members were present:

Mr. Akaka	Mr. Jeffords	Mr.
Mr. Coelho	Mr.	Mr.
Mr. Stenholm	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Fowler C. West, Staff Director
Al Zepp, Subcommittee Staff Consultant
George Dunsmore, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Mr. E. Linwood Tipton, Executive Assistant, Milk Industry Foundation and the International Association of Ice Cream Manufacturers, Washington, D.C.

2. Mr. Patrick Healy, Secretary, National Milk Producers Federation, Washington, D.C.

3. Mr. W. Jasper Reaves, Vice President, Dairy Research, Inc., Rosemont, Illinois.

4. Mr. Gerald A. Levine, Manager, Industrial Biological Systems, Corning Glass Works, Corning, New York.

5. Dr. J. T. Hutton, Vice President of Government Relations and Scientific Affairs, Foremost-McKesson Foods Group, San Francisco, California

Statements Filed:

1. Dairy Research, Inc Exhibit II

2. Reprint of Chapter 25 in the book Cheese and Fermented Milk Foods

Tuesday, July 24, 1979
Subcommittee on Dairy and Poultry
Public Hearing
H.Res. 230

Acting Chairman Akaka called the meeting to order and recognized the witnesses list on page two for their prepared statement and responses to questions from Members of the Subcommittee.

A 10-minute recess was taken at 11:00 to enable the Members to respond to a rollcall vote on the House Floor.

The meeting was adjourned at 12:10 to reconvene at 2:00 p.m. this date to hear further testimony on assessment of the current whey supply situation.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, July 24, 1979

(Sub) Committee Dairy and Poultry

Meeting: Public Hearing

Subject: Current whey supply situation

Bill Nos. H. Res. 230

The Dairy and Poultry (Sub) Committee met in open Session at 2:00 o'clock, in Room 1302

The following Members were present:

Mr. Baldus	Mr.	Mr.
Mr. Akaka	Mr.	Mr.
Mr. Coelho	Mr.	Mr.
Mr. Jeffords	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Glenda Temple, Clerk
Al Zepp, Subcommittee Staff Consultant
George Dunsmore, Staff Assistant

Witnesses:

1. Dr. Michael J. Pallansch, Chief Scientist, Science and Education Administration, U.S. Department of Agriculture.

   Acc. by: Mr. Charles Shaw, Agricultural Economist, Science and Education Administration, USDA.

2. Mr. Robert F. Anderson, Executive Director, National Cheese Institute, Inc., Chicago, Illinois.

3. Dr. Warren S. Clark, Executive Director, Whey Products Institute, Chicago, Illinois.

   Acc. by: Mr. Richard J. Leighton, Counsel.

Statements Filed:

None

Tuesday, July 24, 1979
Dairy and Poultry Subcommittee
Public Hearing -- P.M.
Current whey supply situation
H. Res. 230

Chairman Baldus called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony concerning a recent assessment by the Secretary of Agriculture on our current whey situation. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

During the proceedings the Department witnesses were asked to provide the Subcommittee with figures from 1970 to the present time on the amounts of moneys spent on whey research by the Government.

During the proceedings one recess was taken at 2:25 p.m. to enable Members to respond to a recorded vote on the House Floor. At 3:25 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, July 25, 1979

~~XXXX~~ (Sub) Committee Full

Meeting: Business

Subject: Motion to go to Conference on Food Stamp Bill

Bill Nos. H.R. 4057

The Full ~~XXXX~~ (Sub) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr. Daschle	Mr. Wampler
Mr. de la Garza	Mr. Hance	Mr. Sebelius
Mr. Mathis	Mr. Stenholm	Mr. Findley
Mr. Bowen	Mr.	Mr. Symms
Mr. Richmond	Mr.	Mr. Grassley
Mr. Nolan	Mr.	Mr. Hagedorn
Mr. Weaver	Mr.	Mr. Hopkins
Mr. Baldus	Mr.	Mr. Thomas
Mr. Bedell	Mr.	Mr.
Mr. English	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Akaka	Mr.	Mr.
Mr. Whitley	Mr.	
Mr. Coelho	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Kramer, Special Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Anita Brown, Staff Assistant

Witnesses:

None

Statements Filed:

None

Wednesday, July 25, 1979
Full Committee
Business Meeting
Motion to go to Conference on Food Stamp Bill; Miscellaneous
H.R. 4057

Action Taken:

-- By unanimous voice vote, Chairman instructed to agree to a Conference requested by the Senate on H.R. 4057.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. Jones (N.C.)
3. Mr. Mathis
4. Mr. Bowen
5. Mr. Richmond
6. Mr. Weaver
7. Mr. Baldus
8. Mr. English
9. Mr. Skelton
10. Mr. Glickman
11. Mr. Akaka
12. Mr. Whitley
13. Mr. Coelho
14. Mr. Daschle
15. Mr. Hance
16. Mr. Stenholm
17. Mr. Wampler
18. Mr. Findley
19. Mr. Grassley
20. Mr. Hagedorn
21. Mr. Thomas
22. Mr. Foley
23. Mr. Nolan
24. Mr. Symms
25. Mr. Huckaby

Twenty-five Members having responded, a quorum was established.

Mr. Foley asked if there was objection to including Mr. Jones (Tenn.), Mr. Brown, Mr. Harkin, Mr. Hopkins, and Mr. Marlenee in the quorum call as they were conducting a hearing in the Rayburn Building. Discussion occurred and Mr. Foley withdrew his request.

Mr. de la Garza moved that the Committee on Agriculture authorize the Chairman of the Committee to make the following motion on the Floor of the House:

> Mr. Speaker, by direction of the Committee on Agriculture, I move to take from the Speaker's Table the bill (H.R. 4057), together with the Senate amendments thereto, disagree with the Senate amendments, and agree to a Conference requested by the Senate.

Discussion occurred, and by a unanimous voice vote the motion was agreed to in the presence of a quorum (24 Members present at the time the vote was taken).

Wednesday, July 25, 1979
Full Committee
Business Meeting
Motion to go to Conference on Food Stamp Bill; Miscellaneous
H.R. 4057

Mr. Huckaby asked unanimous consent that his proxy be voted in favor of final passage of H.R. 4119, on Friday, July 20. Discussion occurred on the precedent, but there was no objection to the unanimous consent request.

Chairman Foley advised that he would get together with the Ranking Minority Member and Members of the Committee to discuss changing rules or procedures on allowing votes to be recorded after the vote is taken and recognizing Members in order of their appearance in the Committee room.

The Chairman advised the Members that the Export Administration Amendments would be on the Floor next week and he urged them to be on the Floor to participate in the debate. He stated he would send information to the Members on amendments of interest to the Agriculture Committee.

At 11:00 a.m. the meeting was adjourned to reconvene at 10:30 a.m. on Tuesday, July 31, to consider gasohol legislation.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date July 25, 1979 -- a.m.

(Sub) Committee Conservation and Credit jointly with Natural Resources & Environment Subc.

Meeting: Public Hearing (oversight)

Subject: Agricultural Productivity and Environmental Quality

Bill Nos. _____

The above-named _____ (Sub) Committee[s]

met in joint public hearing Session at 10:25 am o'clock, in Roor 2325 RHOB

The following Members were present:

		Natural Resources & Env.
Mr. Harkin	Mr. Marlenee	Mr.Ambro
Mr. Jones (Tenn.)	Mr. Hopkins	Mr.Walker
Mr.	Mr.	Mr.Brown (Calif.)
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Bob Cashdollar, Subcommittee Staff Consultant
Christine Abram, Staff Assistant
Wayne Fletcher, Staff Assistant

Witnesses:

1. Dr. Sylvan H. Wittwer, Director, Michigan Agricultural Experiment Station
2. Dr. Samuel R. Aldrich, Assistant Director, Illinois Agricultural Experiment Station
3. Dr. William Lockeretz, Senior Agricultural Scientist, Northeast Solar Energy Center
4. Prof. David Pimentel, College of Agriculture and Life Sciences, Cornell University
5. Dr. Edward H. Glass, Head, Department of Entomology, New York State Agricultural Experiment Station
6. Mr. G. Ray Sawyer, Cotton and Grain Sorghum Producer, Texas
7. Mr. Lee Cunningham, Wonderlife Corporation, Des Moines, Iowa

Statements Filed:

Chairman Ambro called the meeting to order at 10:25 a.m. for the purpose of hearing and questioning the witnesses listed on page 2 of these minutes.

The hearing was adjourned at 11:55 a.m., to reconvene at 2:00 p.m. this same day.

Christine D. Abram

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date July 25, 1979 -- p.m.

(Sub) Committee Conservation & Credit Subc., and Natural Resources and Environment Subc.

Meeting: Joint Public Hearing

Subject: Agricultural Productivity and Environmental Quality

Bill Nos.

The above-named (Sub) Committees met in joint public hearing Session at 2:00 p.m. o'clock, in Room 2325 RHOB

The following Members were present:

		Natural Res. & Env.
Mr. Harkin	Mr. Jeffords	Mr. Ambro
Mr. Jones (Tenn.)	Mr. Madigan	Mr. Walker
Mr.	Mr.	Mr. Brown (Calif.)
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Bob Cashdollar, Subcommittee Staff Assistant
Christine Abram, Staff Assistant
Wayne Fletcher, Staff Assistant
Fowler West, Staff Director

Witnesses:

1. Dr. Leo M. Eisel, Director, U.S. Water Resources Council
2. Mr. Victor A. Koelzer, Consultant & Civil Engineer, Fort Collins, Colorado
3. Prof. William E. Martin, Department of Agricultural Economics, University of Arizona
4. Dr. Jan Van Schilfgaarde, Director, U.S. Salinity Lab., USDA, California
5. Dr. William C. Ackermann, Chief, Illinois State Water Survey
6. Prof. Norman J. Rosenberg, Director, Center for Agricultural Meteorology and Climatology, University of Nebraska

Statements Filed:

July 25, 1979 -- p.m. session
Conservation and Credit Subc., jointly,
Natural Resources and Environment Subc.
Joint Public Hearing (oversight)
Agricultural Productivity and
Environmental Quality

Chairman Ambro called the meeting to order at 2:00 p.m. for the purpose of hearing and questioning the witnesses listed on page 2 of these minutes.

The subcommittees recessed briefly at 2:09 and 4:10 to respond to calls from the floor of the House.

The hearing was adjourned at 4:57 p.m. to meet again at 10:00 a.m. Thursday, July 26.

Christine D. Abram

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, July 26, 1979

(Sub) Committee on Family Farms, Rural Development, and Special Studies

Meeting: Public Hearing

Subject: Administration of the Agricultural Foreign Investment Disclosure Act of 1978

Bill Nos. None

The Family Farms, Rural Development, and Special Studies (Sub) Committee met in Open Session at 10:50 a.m. o'clock, in Room 1302 LHOB.

The following Members were present:

Mr. Nolan	Mr. Grassley	Mr.
Mr. Akaka	Mr. Coleman	Mr.
Mr. Harkin	Mr. Thomas	Mr.
Mr. Daschle	Mr.	Mr.
Mr. Panetta	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Gary Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Jim Swiderski, Subcommittee Staff Director
Steve Adams, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Mr. Walter C. Ferguson, Confidential Assistant to the Administrator, Agricultural Stabilization and Conservation Service, USDA, accompanied by: Mr. Gene Wunderlich, Economics, Statistics, and Cooperatives Service
   Mr. John Harris, Office of the General Counsel

2. Mr. Marcus Clark, Supervisory GAO Auditor, was in audience and responded to questions from a Member of the Subcommittee

Statements Filed:

1. Honorable Charles Grassley, Member of Congress from Iowa

2. Copies of USDA press releases and samples of forms used by the Department to administor the Agricultural Foreign Investment Disclosure Act

Thursday, July 26, 1979
Subcommittee on Family Farms, Rural Development, and Special Studies
Public Hearing
Administration of the Agricultural Foreign Investment Disclosure Act

Acting chairman Akaka called the meeting to order and recognized the witnesses listed on page two for their testimony and responses to questions from Members of the Subcommittee.

Chairman Nolan chaired the meeting from 11:25 until it was adjourned at 12 noon to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date July 26, 1979 -- a.m. session

(Sub) Committee Conservation and Credit Subc., and Natural Resources & Environment Subc.

Meeting: Joint Public Hearing (oversight)

Subject: Agricultural Productivity and Environmental Quality

Bill Nos. _____

The above-named _____ (Sub) Committees

met in joint public _____ Session at 10:00 am o'clock, in Room 2318 RHOB

The following Members were present:

		Natural Resources & Env.
Mr. Jones (Tenn.)	Mr. Madigan	Mr. Ambro
Mr.	Mr. Jeffords	Mr. Walker
Mr.	Mr.	Mr. Brown (Calif.)
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	

Staff present:

Bob Cashdollar, Subcommittee Staff Consultant
Christine Abram, Staff Assistant
Wayne Fletcher, Staff Assistant

Witnesses:

1. Prof. Leo M. Walsh, Department of Soil Science, University of Wisconsin
2. Dr. Cecil Lue-Hing, Director, Research and Development, Metropolitan Sanitation District of Chicago
3. Dr. Rufus L. Chaney, Research Agronomist, Biological Waste Management and Organic Resource Laboratory, USDA
4. Dr. O. C. Taylor, Assistant Director, Statewide Air Pollution Laboratory, California
5. Dr. Jay S. Jacobson, Plant Physiologist, Boyce Thompson Institute, Cornell University
6. Dr. Ellis B. Cowling, School of Forest Resources, North Carolina State University

Statements Filed:

July 26, 1979, a.m. session
Conservation and Credit Subc., jointly,
Natural Resources and Environment Subc.
Joint Public Hearing (oversight)
Agricultural Productivity and
Environmental Quality

Chairman Ambro called the meeting to order at 10:10 a.m. for the purpose of hearing and questioning the witnesses listed on page 2 of these minutes.

The hearing was adjourned at 12:45 a.m., to reconvene at 2:00 p.m. this same day.

During the hearings a brief recess was called at 10:45 to respond to a call from the floor of the House.

Christine D. Abram

Christine D. Abram

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date July 26, 1979 -- p.m. session

(Sub) Committee Conservation and Credit Subc. and Natural Resources and Environment Subc.

Meeting: Joint Public Hearing

Subject: Agricultural Productivity and Environmental Quality

Bill Nos.

The above-named (Sub) Committee s met in joint public Session at 2:10 p.m. o'clock, in Room 2318 RHOB.

The following Members were present:

		Natural Res. & Env.
Mr. Harkin	Mr.	Mr.Ambro
Mr. Hance	Mr.	Mr.Walker
Mr. Baldus	Mr.	Mr.
Mr. Jones (Tenn.)	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Bob Cashdollar, Subcommittee Staff Consultant
Christine Abram, Staff Assistant

Witnesses:

1. Prof. John Timmons, Department of Economics, Iowa State University
2. Mr. Norman A. Berg, Assistant Administrator, Soil Conservation Service, USDA
3. Mr. Neil Sampson, Executive Vice President, National Association of Conservation Districts, Washington, D.C.
4. Dr. William E. Larson, Research Soil Scientist, USDA-SEA-AR, University of Minnesota
5. Mr. Joseph Krivak, Deputy Director, Water Planning Division, Environmental Protection Agency
6. Dr. Richard Barrows, Department of Agricultural Economics, University of Wisconsin

Statements Filed:

July 26, 1979 -- p.m. session
Conservation and Credit Subc., jointly,
Natural Resources and Environment Subc.
Joint Public Hearing (oversight)
Agricultural Productivity and
Environmental Quality

Chairman Ambro called the meeting to order at 2:10 p.m. for the purpose of hearing and questioning the witnesses listed on page 2 of these minutes.

Brief recess was called at 3:28 p.m. to respond to a call from the floor of the House.

The hearing was adjourned subject to the call of the Chair at 4:41 p.m.

It was unanimously agreed that the record of these hearings will be held open to receive responses to questions put in writing to the witnesses by Members of the Subcommittees.

Christine D. Abram

Christine D. Abram

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, July 31, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: National Alcohol Fuel and Farm Commodity Production Act of 1979

Bill Nos. H.R. 3905

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301.

The following Members were present:

Mr. Jones (Tenn.)	Mr. Findley	Mr.
Mr. Rose	Mr. Symms	Mr.
Mr. Nolan	Mr. Madigan	Mr.
Mr. Weaver	Mr. Kelly	Mr.
Mr. Baldus	Mr. Coleman	Mr.
Mr. Harkin	Mr.	Mr.
Mr. Bedell	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Whitley	Mr.	Mr.
Mr. Daschle	Mr.	Mr.
Mr. Foley	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Tony Imhof, Counsel
John Hogan, Counsel
Gary L. Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk

Witnesses:

None

Statements Filed:

None

Tuesday, July 31, 1979
Full Committee
Business Meeting
National Alcohol Fuel and Farm
Commodity Production Act of 1979
H.R. 3905

Chairman Foley called the meeting to order for the consideration of gasohol legislation. The Clerk was directed to call the roll. The following Members responded when their names were called:

1. Mr. Jones (Tenn.)
2. Mr. Nolan
3. Mr. Bedell
4. Mr. Daschle
5. Mr. Symms
6. Mr. Coleman
7. Mr. Foley
8. Mr. Rose
9. Mr. Weaver
10. Mr. Glickman
11. Mr. Kelly
12. Mr. Baldus
13. Mr. Whitley
14. Mr. Findley
15. Mr. Harkin

Fifteen Members having responded a quorum was not established.

Mr. Glickman asked unanimous consent to proceed on another matter and there was no objection. Mr. Glickman asked for co-sponsors for a resolution he is introducing to direct the Secretary to establish a wheat set-aside.

Unanimous consent was asked to count Mr. Jones (N.C.), Mr. Wampler, and Mr. Mathis as present on the quorum call since they were attending a Tobacco Subcommittee hearing in 1302. Mr. Kelly objected.

At 10:45 a.m. the meeting was adjourned, to reconvene at 10:30 a.m. on Wednesday, August 1, at which time a one-third quorum rule will be in effect for consideration of H.R. 3905 and amendments thereto.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, July 31, 1979

(Sub) Committee on Tobacco

Meeting: Public Hearing

Subject: To examine the operation of the flue-cured tobacco price support program for 1979 marketing year

Bill Nos. None

The Tobacco (Sub) Committee

met in open Session at 10:15 a.m o'clock, in Room 1302 LHOB

The following Members were present:

		also present:
Mr. Jones, N.C.	Mr. Kelly	Mr. Fuqua
Mr. Whitley	Mr. Hopkins	Mr. Jenrette
Mr. Mathis	Mr. Wampler	Mr.
Mr. Rose	Mr.	Mr.
Mr. Baldus	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Bernard Brenner, Press Secretary
Jim Davis, Subcommittee Staff Consultant
Carol Dubard, Staff Assistant
Peggy Pecore, Staff Assistant
Claude Freeman, Subcommittee Staff Consultant
Charlotte Farwell, Staff Assistant

Witnesses:

1. Mr. Leonnard Ford, Director, Tobacco Division, Agriculture Marketing Service, USDA, Washington, D.C.
   accompanied by: Mr. Jim Davis, Deputy Director, Production Adjustment Division, ASCS
2. Honorable Don Fuqua, Member of Congress from Florida.
3. Honorable Marcus B. Collins, State Representative and tobacco grower, Cotton, Georgia.
4. Mr. R. W. Tuggle, Vice President, Universal Leaf Tobacco Company, Richmond, Virginia
5. Mr. Max Frosteg, operator, Planters' Brick Warehouse, Pelham, Ga.
6. Panel of tobacco growers:

   Mr. Joe Parker, Doerun, Georgia

   Mr. Ray Saunders, Doerun, Georgia

   Mr. Jimmy Parrish, Ty Ty, Georgia

Statements Filed:

Honorable Strom Thurmond, United States Senator from South Carolina
Ernest Pepples, Vice President and General Counsel, Brown & Williamson Tobacco Corporation, Louisville, Ky.
Arthur J. Stevens, Senior Vice President, Lorillard Division of Loews Theatres, New York
Carroll G. Tompson, Executive President, R.J.Reynolds Company, Winston-Salem, N.C.

Tuesday, July 31, 1979
Subcommittee on Tobacco
Public Hearing
To examine the operation of the flue-cured tobacco price support program for the 1979 marketing year

Action taken:

--By unanimous voice vote the Subcommittee adopted a motion to send a resolution to the Secretary of Agriculture, recommending that he declare a one-day moratorium on the sale of flue-cured tobacco on the Georgia-Florida markets; that he invite officials of tobacco companies to meet with him on that day to determine if the supply will exceed the demand for the 1980 crop and whether the marketing quota for 1980 should be reduced.

Chairman Jones called the meeting to order and recognized the witnesses in the order listed on page two for their testimony. Each witness was questioned by Members of the Subcommittee as appearing in the record.

Messrs Collins, Parker, Saunders and Parrish were introduced by Congressman Mathis, and Mr. Tuggle was introduced by Congressman Wampler.

Congressman Mathis made a motion which was duly seconded and agreed to by unanimous voice vote that the Subcommittee prepare a resolution to be forwarded to the Secretary of Agriculture. A copy is attached to these minutes.

Congressman Jones advised Members that a former Member of Congress and the Subcommittee, Mr. Breckinridge, had passed away on July 29.

The meeting was adjourned at 12 noon to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

WALTER B. JONES, N.C.
CHAIRMAN
CHARLES WHITLEY, N.C.
DAWSON MATHIS, GA.
CHARLES ROSE, N.C.
ALVIN BALDUS, WIS.

THOMAS S. FOLEY, WASH.,
EX OFFICIO MEMBER

RICHARD KELLY, FLA.,
RANKING MINORITY MEMBER
LARRY J. HOPKINS, KY.

ROBERT M. BOR,
CHIEF COUNSEL

JOHN E. HOGAN,
COUNSEL

U.S. House of Representatives
Committee on Agriculture
Subcommittee on Tobacco
Room 1301, Longworth House Office Building
Washington, D.C. 20515

July 31, 1979

Congressman Dawson Mathis offered the following resolution which was approved by the Subcommittee on Tobacco by a unanimous voice vote:

THE TOBACCO SUBCOMMITTEE OF THE HOUSE AGRICULTURE COMMITTEE IS GREATLY CONCERNED ABOUT THE GENERALLY LOW PRICES BEING PAID TO FLUE-CURED TOBACCO FARMERS IN THE 1979 MARKETING YEAR. IT WOULD BE HELPFUL TO ALL SEGMENTS OF THE TOBACCO INDUSTRY TO KNOW NOW WHAT ACTION MAY BE TAKEN REGARDING THE 1980 NATIONAL MARKETING QUOTA FOR FLUE-CURED TOBACCO BECAUSE SUCH INFORMATION COULD STRENGTHEN MARKETS FOR THE REMAINDER OF THE SEASON. THEREFORE, THE TOBACCO SUBCOMMITTEE REQUESTS SECRETARY OF AGRICULTURE BOB BERGLAND TO ANNOUNCE A 1-DAY SUSPENSION OF SALES IN THE GEORGIA-FLORIDA AREA FOR THE PURPOSE OF ASSEMBLING REPRESENTATIVES OF TOBACCO BUYING COMPANIES AND OTHER APPROPRIATE PARTIES TO DISCUSS POSSIBLE ACTION REGARDING NEXT YEAR'S NATIONAL MARKETING QUOTA."

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, August 1, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: National Alcohol Fuel and Farm Commodity Production Act

Bill Nos. H.R. 3905

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr. Akaka	Mr. Sebelius
Mr. de la Garza	Mr. Coelho	Mr. Findley
Mr. Jones (Tenn.)	Mr. Daschle	Mr. Johnson
Mr. Mathis	Mr. Hance	Mr. Madigan
Mr. Rose	Mr. Anthony	Mr. Jeffords
Mr. Richmond	Mr. Stenholm	Mr. Kelly
Mr. Weaver	Mr.	Mr. Grassley
Mr. Baldus	Mr.	Mr. Hagedorn
Mr. Harkin	Mr.	Mr. Hopkins
Mr. Bedell	Mr.	Mr.
Mr. English	Mr.	Mr.
Mr. Fithian	Mr.	Mr.
Mr. Panetta	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Huckaby	Mr.	
Mr. Glickman	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Tony Imhof, Counsel
Gary Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Jerry Jorgensen, Staff Assistant

From the Staff of the Legislative Counsel's Office:
Tim Pierson

Witnesses:

The following represented the United States Department of Agriculture and responded to Member's questions:

1. Hon. James Williams, Deputy Secretary of Agriculture

   Acc. by: Mr. Weldon Barton

Statements Filed:

None

Wednesday, August 1, 1979
Full Committee
Business Meeting
National Alcohol Fuel and Farm Commodity
Production Act
H.R. 3905

Action Taken:

-- Without objection Bedell substitute amendment agreed to for use as markup vehicle.

Chairman Foley called the meeting to order for the consideration of the National Alcohol Fuel and Farm Commodity Production Act of 1979. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Rose
4. Mr. Richmond
5. Mr. Bedell
6. Mr. English
7. Mr. Fithian
8. Mr. Skelton
9. Mr. Huckaby
10. Mr. Glickman
11. Mr. Akaka
12. Mr. Coelho
13. Mr. Daschle
14. Mr. Hance
15. Mr. Anthony
16. Mr. Sebelius
17. Mr. Jeffords
18. Mr. Hagedorn
19. Mr. Foley
20. Mr. Weaver
21. Mr. Baldus
22. Mr. Harkin
23. Mr. Stenholm

Twenty-three Members having responded, a quorum was established.

Mr. Bedell, the principal author of H.R. 3905, was recognized to explain the provisions of the legislation. Mr. Bedell offered the attached substitute amendment to be used as the markup vehicle, and there was no objection. Also attached is a summary of the legislation.

Discussion occurred on the legislation. Mr. Harkin offered the attached amendment but withdrew it prior to discussion until a later date.

Mr. Glickman offered the attached amendment and discussion occurred on the amendment.

Mr. Kelly made a point of order that a quorum was not present and at 12:15 p.m. the meeting was adjourned until 10:30 a.m. on Thursday, July 2, for further consideration of the legislation.

Glenda Temple

Glenda Temple

TP074

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H. R. 3905

OFFERED BY MR. BEDELL

Strike out all after the enacting clause and insert in lieu thereof the following:

SHORT TITLE

SECTION 1. This Act may be cited as the ''National Alcohol Fuel and Farm Commodity Production Act of 1979.''.

ALCOHOL FUEL PLANT LOANS AND LOAN GUARANTEES

SEC. 2. Title V of the Rural Development Act of 1972 is amended by adding at the end thereof the following new section:

''SEC. 511. ALCOHOL FUEL PLANT LOANS AND LOAN GUARANTEES.--

''(a) In order to assist persons, including any public, private, or cooperative organization, in the construction and maintenance of plants for the production of alcohol fuel derived from forest products, wood waste residues, agricultural commodities, and other renewable resources and for purposes of stabilizing and expanding the market for such forest products, wood waste residues, agricultural commodities, and other renewable resources and expanding the Nation's supply of alcohol fuels, the Secretary is authorized--

''(1) to make loans directly to such persons for 90 percent of the cost of the construction and operation of

alcohol fuel plants having an annual production capacity of less than 1,000,000 gallons of alcohol fuel;

''(2) to guarantee payment of 75 percent of the principal of and interest on loans made by private lenders to such persons for the construction and operation of alcohol fuel plants;

''(3) to sell forest products, wood waste residues, and agricultural commodities to persons receiving direct loans and loan guarantees under this section and to other persons operating alcohol fuel plants in accordance with subsection (e); and

''(4) to make such regulations, enter into such contracts, and take such other actions as may be necessary to carry out this section.

''(b) No loan may be made or guaranteed under this section unless an application therefor has been submitted to and approved by the Secretary. Such application shall be submitted in such form and according to such procedures as the Secretary may require by regulation. Such application shall contain--

''(1) assurances by the applicant that any loan made or guaranteed under this section shall be used for the construction and operation of plants for the production of alcohol fuel from forest products, wood waste residues, agricultural commodities, and other renewable

resources;

''(2) information concerning the total cost of the construction of the plant for which such loan is sought, estimates of the operating costs and income to be derived from the operation of such plant, and any other financial information the Secretary may require; and

''(3) such other information or assurances as the Secretary may require.

The Secretary shall approve or disapprove any application within 90 days after receiving such application. If the Secretary disapproves an application, he shall make the reasons for such disapproval available to the applicant. Any application disapproved under this subsection may be amended and, when resubmitted, shall be considered as an original application.

''(c)(1) The interest rate on direct loans made under this section shall be determined by the Secretary, except that such rate shall not exceed the current average market yield on outstanding marketable obligations of the United States of comparable maturities plus one percent. Such direct loans shall be made according to such other terms and conditions as the Secretary determines by regulation as sufficient to protect the financial interests of the United States.

''(2) A loan may be guaranteed under this section only

if--

''(A) such loan is for a term not in excess of 20 years;

''(B) the Secretary determines that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to such loan are reasonable and meet such standards as the Secretary determines by regulation as sufficient to protect the financial interests of the United States, taking into account the range of interest rates prevailing in the private market for other loans guaranteed by the United States;

''(C) the Secretary determines that the applicant is unable without a guarantee under this section to obtain sufficient credit elsewhere to finance the construction and operation of the plant for which such loan is sought at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar periods of time;

''(D) the applicant for such loan guarantee demonstrates to the satisfaction of the Secretary that such applicant has taken steps to ensure that the total energy content of the alcohol fuel manufactured by such applicant will exceed the total energy input from petroleum or petroleum-based products, other than energy

derived from co-generation, used directly in the manufacture of such alcohol fuel;

''(E) the applicant agrees to keep such records and afford such access thereto, and make such reports, in such form, at such times, and containing such information, as the Secretary may require by regulation; and

''(F) such other conditions as the Secretary deems appropriate to achieve the purposes of this section and to protect the financial interests of the United States are met.

''(d)(1) For the period beginning on October 1, 1979, and ending on September 30, 1981, the cumulative total of the principal of and interest on loans outstanding at any time guaranteed under this section shall not exceed $600,000,000. At least 25 percent of the total amount of the principal of and interest on loans guaranteed under this section during such period shall be principal and interest on loans for plants for which the construction costs are less than $5,000,000 for each such plant.

''(2) For the period beginning on October 1, 1979, and ending on September 30, 1981, the cumulative total of the amount of direct loans made under this section shall not exceed $200,000,000.

''(e)(1) In order to assure that persons receiving

direct loans or loan guarantees under this section and other persons operating plants for the production of alcohol fuel have a dependable supply of forest products, wood waste residues, and agricultural commodities at a stable price for use in such plants, the Secretary is authorized to enter into sales contracts, not exceeding five years, with such persons to sell annually to such persons a specified quantity of forest products, wood waste residues, and agricultural commodities upon specified terms of delivery at a price upon which the Secretary and such persons mutually agree. For purposes of complying with contracts entered into under this paragraph, the Secretary may supply agricultural commodities (A) from Commodity Credit Corporation stocks, (B) from agricultural commodities purchased by the Secretary from producers participating in the producer storage program under section 110, or (C) from agricultural commodities purchased by the Secretary from domestic producers of such agricultural commodities.

''(2) Any contract for the sale of any forest products, wood waste residues, and agricultural commodities to any buyer under this subsection shall provide that such forest products, wood waste residues, and agricultural commodities shall be used for the production of alcohol fuel.

''(3) The Secretary shall make available such amounts of forest products, wood waste residues, and agricultural

commodities as may be necessary to meet obligations under contracts entered into under this subsection.

''(f) Within six months after the end of each fiscal year, the Secretary shall submit to the Congress--

''(1) a report on--

''(A) the administration of this section with respect to direct loans and loan guarantees under this section, including information regarding the approval and disapproval of applications for such direct loans and loan guarantees, and

''(B) the performance of contracts entered into under this section to supply forest products, wood waste residues, and agricultural commodities for purposes of alcohol fuel production during such fiscal year, including information regarding the quantities of Commodity Credit Corporation stocks used in fulfilling such contracts;

''(2) an assessment of the production capacity and the needs of the alcohol fuel industry in the United States, including information with respect to actions taken by the Secretary to meet such needs; and

''(3) recommendations for such legislative changes as he finds necessary or appropriate with respect to the operation of this section.

''(g) In carrying out this section, the Secretary may

use the funds available for use by, and the facilities and services of, the Commodity Credit Corporation or any other agency in the Department of Agriculture.

''(h) For purposes of this section--

''(1) the term 'alcohol fuel' means ethanol which is produced from renewable resources and which is suitable for use by itself or in combination with other fuels as a motor fuel;

''(2) the term 'agricultural commodities' includes barley, butter and butter oil, cheese and cheese whey, corn, cotton, dry beans, flaxseed, grain sorghums, nonfat dry milk, oats, peanuts, potatoes, rice, rye, soybeans, sugar beets, sugar cane, and wheat; and

''(3) the term 'construction' shall include the conversion or equipping of an existing facility for use as a plant for the production of alcohol fuel.''.

PRICE SUPPORT PROGRAM FOR THE 1980 AND 1981 CROPS OF FEED GRAINS

SEC. 3.(a) The first sentence of section 105A(f)(1) of the Agricultural Act of 1949 is amended by inserting before the period the following: ''and the need to provide feed grains for purposes of fulfilling obligations under section 511(e) of the Rural Development Act of 1972''.

(b) Section 105A(f)(5) of the Agricultural Act of 1949 is amended to read as follows:

''(5) If the operator of a farm desires to participate in the program under this subsection, the operator shall file an agreement to do so no later than such date as the Secretary may prescribe.''.

(c) Section 105A of the Agricultural Act of 1949 is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

''(h) Loans, purchases, and payments under this section shall be made available to producers on the farm only if the producers enter into an agreement with the Secretary in which such producers agree--

''(1) if a set-aside of cropland is in effect under subsection (f)(1), to set aside and devote to soil conserving uses an acreage on the farm equal to the number of acres determined by the Secretary under such subsection; and

''(2) to sell to the Secretary after harvest such amounts as the Secretary may specify, but not more than 10 percent, of any crop of feed grains produced on such farm in any crop year at not less than the established price for such crop for such crop year.

The Secretary may, by mutual agreement with the producers, terminate or modify any agreement entered into pursuant to this subsection if the Secretary determines that such action

is necessary because of an emergency created by drought or other disaster, or in order to prevent or alleviate a shortage in the supply of agricultural commodities.''.

CONFORMING AMENDMENTS

SEC. 4. (a) Section 110(b) of the Agricultural Act of 1949 (7 U.S.C.1445e(b)) is amended by striking out ''and (6)'' and inserting in lieu thereof ''(6)'' and by inserting before the period the following new clause: ''; and (7) conditions under which the Secretary may require agreements by producers of agricultural commodities to sell agricultural commodities stored under the program to the Secretary in such amounts as the Secretary may require for purposes of contracts under section 511(e) of the Rural Development Act of 1972 (A) at not less than the established price in effect for such agricultural commodity for the crop year in which such agricultural commodity was produced, or (B) if no such established price is in effect for such agricultural commodity for the crop year in which such agricultural commodity was produced, at a price upon which the Secretary and such producers mutually agree.''.

(b) Section 110(d)(2) of the Agricultural Act of 1949 (7 U.S.C. 1445e(d)(2)) is amended by striking out ''and (C)'' and inserting in lieu thereof '', (C)'' and by inserting before the period the following new subclause: '', and (D) section 511(e) of the Rural Development Act of 1972''.

(c) Section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427) is amended by inserting ''(a)'' after ''SEC. 407.'' and by adding at the end of such section the following new subsection:

''(b) Notwithstanding subsection (a), for purposes of meeting obligations of the Secretary under contracts entered into under section 511(e) of the Rural Development Act of 1972, the Commodity Credit Corporation may sell any agricultural commodity owned or controlled by it at the price upon which the Secretary and the buyer of such agricultural commodities mutually agree.''.

STUDY ON USES AND MARKETING OF BY-PRODUCTS RESULTING FROM PRODUCTION OF ALCOHOL FUEL

SEC. 5. Not later than 18 months after the date of the enactment of this Act, the Secretary of Agriculture shall complete a study of the existing and potential uses and marketing of the by-products resulting from the production of alcohol fuel, with special emphasis on the uses of such by-products as a source of food for human consumption, and shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a written report which contains (1) the findings of such study, and (2) if appropriate, a market promotion program identifying the foreign markets for such by-products for human consumption, including

recommendations for expanding such foreign markets. In conducting such study, the Secretary of Agriculture shall consult with and, wherever practicable, use the resources of the National Alcohol Fuels Commission.

RESEARCH

SEC. 6.(a) Section 1419 of the Food and Agriculture Act of 1977 (7 U.S.C. 3154) is amended--

(1) by striking out ''(2) alcohol made from agricultural commodities and forest products as a substitute for alcohol made from petroleum products,'' and insert in lieu thereof the following: ''(2) alcohol made from agricultural commodities and forest products as a substitute for, or for blending with, gasoline, diesel fuel, or alcohol made from petroleum products,'';

(2) by inserting after the first sentence the following:

''At least 25 percent of the amount appropriated in any fiscal year for purposes of carrying out this section shall be made available for grants under this section for the purpose of conducting research relating to the production of alcohol fuels by identifying and developing agricultural commodities, including alfalfa, sweet sorghum, black locust, and cheese whey, which may be suitable for use in alcohol fuel production. At least 25 percent of the amount appropriated in any fiscal year for purposes of carrying out

this section shall be made available for grants under this section for the purpose of conducting research relating to the development of technologies for increasing the the energy-efficiency and commercial feasibility of alcohol fuel production, including processes of cellulose conversion and cell membrane technology.''; and

(3) in the proviso--

(A) by striking out ''$24,000,000'' and inserting in lieu thereof ''$50,000,000'';

(B) by striking out ''five-year period'' and insert in lieu thereof ''three-year period''; and

(C) by striking out ''beginning on October 1, 1977'' and insert in lieu thereof ''beginning on October 1, 1979''.

(b)(1) The Secretary of Agriculture shall establish 10 alcohol fuel production model demonstration facilities for purposes of demonstrating the most recent technologies available for producing alcohol fuel on farms. Such facilities and information regarding the operation of such facilities shall be made available for public inspection and, to the extent practicable, such facilities shall be established in various regions in the United States.

(2) For purposes of carrying out paragraph (1), there are authorized to be appropriated not more than $5,000,000 for the fiscal year ending on September 30, 1980, and

$5,000,000 for the fiscal year ending on September 30, 1981.

EFFECTIVE DATE PROVISIONS

SEC. 7. (a) The amendments made by sections 2 and 4 of this Act shall take effect on October 1, 1979.

(b) The amendments made by section 3 of this Act shall be effective beginning with the 1980 crop of feed grains.

(c) The amendments made by section 6(a) of this Act shall apply with respect to grants made under section 1419 of the Food and Agriculture Act of 1977 (7 U.S.C. 3154), as amended by section 6(a) of this Act, beginning with the fiscal year ending on September 30, 1980.

HR 3905 (Substitute)

Section 1. Short Title: "National Alcohol Fuel and Farm Commodity Production Act of 1979."

Section 2. Statement of Purpose: To contribute toward the development of a secure liquid fuel supply in the United States by providing the foundation for a viable alcohol fuel industry; to increase the security and enhance the economic health of the United States; and to improve and stabilize agricultural income and reduce the role of the Federal Government in agricultural commodity price support programs.

Section 3. Alcohol Fuel Plant Loans and Loan Guarantees. Provides for $100 million in both FY '80 and '81 for direct loans at cost of money to the government for small (1 million gallon annual capacity or less) alcohol fuel production facilities. Further provides for $600 million in loan guarantee authority for FY '80 and '81 for 75 percent of the cost of larger alcohol fuel production facilities. At least 25 percent of the loan guarantees must be made for alcohol facilities that cost $5 million or less. Loan guarantee recipients must pass a "no credit elsewhere" test before becoming eligible for the loan guarantee. The Secretary must approve or disapprove any loan or loan guarantee application within 90 days of receipt. The Secretary must inform any person whose application was disapproved the reasons for disapproval, and such person is entitled to submit a revised application which will then be considered a new application.

In order to provide persons receiving direct loans or loan guarantees under this section and other persons operating plants for the production of alcohol fuel with a dependable supply of forest products, wood waste residues, and agricultural commodities at a stable price for use in such plants, the Secretary is authorized to enter into contracts, not exceeding five years, to supply such persons with needed feedstocks at a mutually agreed upon price. The Secretary may supply agricultural commodities from 1) Commodity Credit Corporation stocks, 2) from agricultural commodities purchased by the Secretary from producers participating in the producer storage program, or 3) from agricultural commodities purchased by the Secretary from domestic producers.

The Secretary does not have authority to purchase or sell the by-product of alcohol fuel production.

Within six months of the end of each fiscal year the Secretary must submit to the Congress a report on the administration of the loan and loan guarantee programs and the performance of contracts entered into under the section, as well as an assessment of the production capacity and needs of the alcohol fuels industry, as well as information with respect to the actions taken by the Secretary to meet such needs.

For purposes of this section the term "agricultural commodities" includes barley, butter and butter oil, cheese and cheese whey, corn, cotton, dry beans, flaxseed, grain sorghums, nonfat dry milk, oats, peanuts, potatoes, rice, rye, soybeans, sugar beets, sugar cane, and wheat.

Section 4. Price Support Program for the 1980 and 1981 Crops of Feed Grains. Authorizes the Secretary to establish a set-aside for feed grains that takes into account the productive capacity of the alcohol fuels industry and the industry's demand for agricultural commodities. The Secretary is authorized to allow producers to earmark a portion (up to 10 percent) of their production for use as feedstocks for alcohol fuel facilities. (Ex.: Rather than calling for a set-aside that may require farmers to idle 10 percent of their cropland, the Secretary may call for an actual 5 percent idling of acreage and the earmarking of 5 percent of farmers' production for use as alcohol fuel feedstocks.)

Section 5. Conforming Amendments.

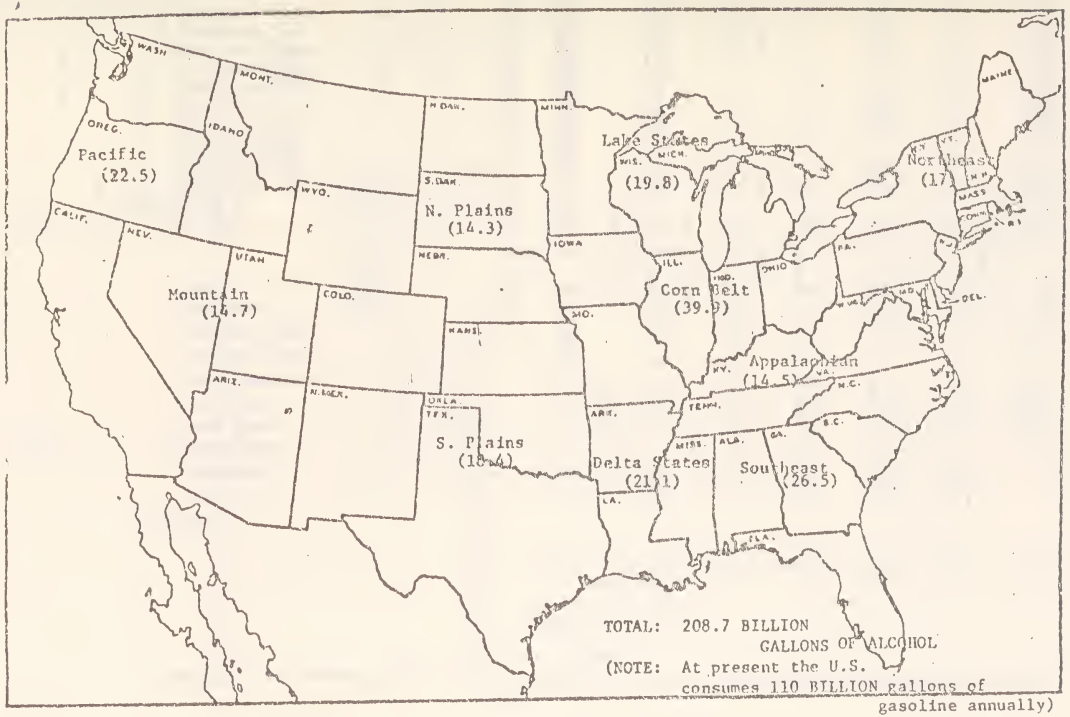
Section 6. Study on Uses and Marketing of By-Products Resulting from Production of Alcohol Fuel. Not later than 18 months after the date of the enactment of this Act, the Secretary of Agriculture shall complete a study of the existing and potential uses and marketing of the by-products resulting from the production of alcohol fuel, with special emphasis on the uses of such by-products as a source of food for human consumption.

Section 7. Research. Provides for grants for conducting research relating to the identification and development of agricultural commodities, including alfalfa, sweet sorghum, black locust, and cheese whey, for use in the production of alcohol fuels. Further provides for grants for conducting research relating to the development of technologies for the energy-efficient and commercially feasible production of alcohol fuel, including processes of cellulose conversion and cell membrane technology.

Authorizes the Secretary of Agriculture to establish not more than 10 alcohol fuel production model demonstration facilities for purposes of demonstrating the most recent technologies available for producing alcohol on farms. Such facilities and information regarding the operation shall be made available for public inspection and, to the extent practicable, such facilities shall be established in various regions in the United States. $5 million is authorized for both FY '80 and '81 for these demonstration facilities.

Section 8. Effective Date Provisions. The amendments made by sections 3 and 5 of this Act shall take effect on October 1, 1979. The amendments made by Section 4 shall be effective beginning with the 1980 crop of feed grains. The amendments made be section 7(a) shall apply beginning with the fiscal year ending on September 30, 1980.

Projected Maximum Alcohol Production from U.S. Biomass Resources: By Region for the Year 2000
(Billion gallons per year)*



*The Report of the Alcohol Fuels Policy Review. U.S. Department of Energy. June 1979.

TABLE II–14.—Projected Maximum Alcohol Production from U.S. Biomass Resources: By Region for the Year 2000

(Billion gallons per year)

	Wood	Agricultural residues	Grains	Sugars	MSW	Wastes	Total
Ethanol:							
Northeast	2.6	0.1	.....	.....	0.9	0.1	3.7
Southeast	4.4	0.3	.....	2.4	0.4	0.3	7.8
Appalachian	3.1	.....	.....	.....	.....	.....	3.1
Lake States	2.3	1.3	0.4	1.4	0.2	0.1	5.7
Corn Belt	2.0	5.5	1.0	0.9	0.5	0.2	10.1
Delta States	3.1	1.0	.....	1.1	0.1	.....	5.3
Northern Plains	0.3	2.4	0.6	1.4	.....	.....	4.7
Southern Plains	2.3	1.0	0.2	1.4	0.2	.....	5.1
Mountain	2.3	0.7	0.1	.....	0.1	.....	3.2
Pacific	3.4	0.8	.....	0.4	0.5	0.2	5.3
Total	25.8	13.1	2.2	9.0	2.9	0.9	540
Methanol:							
Northeast	9.5	0.5	.....	.....	3.3	.....	13.3
Southeast	16.1	1.0	.....	.....	1.6	.....	18.7
Appalachian	11.4	.....	.....	.....	.....	.....	11.4
Lake States	8.6	4.8	.....	.....	0.7	.....	14.1
Corn Belt	7.6	20.2	.....	.....	2.0	.....	29.8
Delta States	11.4	3.8	.....	.....	0.6	.....	15.8
Northern Plains	0.9	8.7	.....	.....	.....	.....	9.6
Southern Plains	8.6	3.8	.....	.....	0.9	.....	13.3
Mountain	8.6	2.4	.....	.....	0.5	.....	11.5
Pacific	12.3	2.9	.....	.....	2.0	.....	17.2
Total	48.1	48.1	.....	.....	11.6	.....	154.7

COMMODITY CREDIT CORPORATION STOCKS 4/30/79

Commodity	Amount	Value
Barley	2.4 million bu.	$3.9 million
Butter and butter oil	79.6 million lbs.	$186.2 million
Cheese	20.5 million lbs.	$22.9 million
Corn	100 million bu.	$208 million
Cotton	-------	-------
Sorghum grain	31.6 million bu.	$87.6 million
Sugar (raw cane)	202,114 short tons	$54.6 million
Nonfat dry milk	555.3 million lbs.	$377.6 million
Oats	2.7 million bu.	$2.8 million
Rough rice	9.6 million cwt.	$83 million
Wheat	50.1 million bu.	$119.3 million
		$1145.9 million

TOTAL VALUE ALL COMMODITIES: $1145.9 million

COSTS TO THE GOVERNMENT FOR COMMODITY STORAGE

	FY '78	Oct. 1, 1978-May 31, 1979 (part of FY '7
Stocks owned by CCC	$43.5 million	$44.9 million
Payments under farmer-held reserve	$86.2 million (program was just begun during this fiscal year)	$207.6 million

COMMODITY TO ALCOHOL CONVERSION RATIOS

Commodity	Yield (ethanol, in gallons)	Residual (in pounds per ton of commodity
Apples -- 1 bu.	.38	40
Barley -- 1 bu.	2.05	646
Citrus waste -- 1 dry ton	107	
Corn -- 1 bu.	2.6	446
Grain sorghum	2.7	
MSW -- 1 dry ton	100 (methanol)	
Oats -- 1 bu.	1.05	646
Other food processing		
Potatoes -- 1 bu.	.79	76
Rice -- 1 bu.	2.21	520
Rye -- 1 bu.	2.54	542
Sugars -- 1 ton of fermentable sugar	136	100 (sugar beets)
Waste -- 1 dry ton	90	846
Wheat -- 1 bu.	2.7	538

AMENDMENT OFFERED BY MR. HARKIN

Page 3

strike lines 16 through 24 (sec. (c)(1)) and insert in lieu thereof:

"(c)(1) The interest rate on direct loans shall be at the rate of five per centum per year.

H.R. 3905

Amendment by Mr. Glickman to

Bedell Substitute

Page 1, line 12, strike "and maintenance".

Page 1, line 21, strike "and operation".

Page 2, lines 5-6, strike "and operation".

Page 2, line 23, strike "and operation".

Page 4, line 16, strike "and operation".

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, August 2, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: National Fuel Alcohol and Farm Commodity Production Act

Bill Nos. H.R. 3905

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301.

The following Members were present:

Mr.	de la Garza	Mr.	Madigan	Mr.	
Mr.	Jones (Tenn.)	Mr.	Grassley	Mr.	
Mr.	Weaver	Mr.	Hagedorn	Mr.	
Mr.	Baldus	Mr.		Mr.	
Mr.	Harkin	Mr.		Mr.	
Mr.	Bedell	Mr.		Mr.	
Mr.	Fithian	Mr.		Mr.	
Mr.	Panetta	Mr.		Mr.	
Mr.	Skelton	Mr.		Mr.	
Mr.	Stenholm	Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.			
Mr.		Mr.			

Staff present:

Fowler C. West, Staff Director
Gary L. Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Jerry Jorgensen, Staff Assistant

Witnesses:

None

Statements Filed:

None

Thursday, August 2, 1979
Full Committee
Business Meeting
National Fuel Alcohol and Farm Commodity Production Act
H.R. 3905

Acting Chairman de la Garza called the meeting to order for the further consideration of H.R. 3905 and amendments thereto. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. Fithian
3. Mr. Panetta
4. Mr. Skelton
5. Mr. Stenholm
6. Mr. Jones (Tenn.)
7. Mr. Weaver
8. Mr. Harkin
9. Mr. Bedell
10. Mr. Madigan
11. Mr. Hagedorn

Eleven Members having responded, a quorum was not established and at 10:40 a.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, September 6, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: National Alcohol Fuel and Farm Commodity Production Act of 1979

Bill Nos. H.R. 3905

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Rose	Mr. Jeffords	Mr.
Mr. Nolan	Mr. Kelly	Mr.
Mr. Baldus	Mr. Grassley	Mr.
Mr. Bedell	Mr.	Mr.
Mr. English	Mr.	Mr.
Mr. Panetta	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Akaka	Mr.	Mr.
Mr. Daschle	Mr.	Mr.
Mr. Hance	Mr.	Mr.
Mr. Anthony	Mr.	Mr.
Mr. Stenholm	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Gary L. Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk

Witnesses:

None

Statements Filed:

None

Thursday, September 6, 1979
Full Committee
Business Meeting
National Alcohol Fuel and Farm
Commodity Production Act of 1979
H.R. 3905

Acting Chairman Nolan called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. Nolan
2. Mr. Bedell
3. Mr. English
4. Mr. Panetta
5. Mr. Skelton
6. Mr. Huckaby
7. Mr. Glickman
8. Mr. Akaka
9. Mr. Daschle
10. Mr. Hance
11. Mr. Anthony
12. Mr. Stenholm
13. Mr. Jeffords
14. Mr. Kelly
15. Mr. Gassley

Fifteen Members having responded a one-third quorum was established pursuant to previous notice under Committee rules.

Mr. Kelly advised that the House was under the five-minute rule and asked if the Committee had permission to sit. Acting Chairman Nolan advised that the Committee did not have permission to sit and Mr. Kelly made a point of order against the meeting. The point of order was sustained and at 10:50 a.m. the meeting was adjourned, to reconvene at 10:00 a.m. on Tuesday, September 11, for further consideration of H.R. 3905.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, September 11, 1979

XXX (Sub) Committee Full

Meeting: Business

Subject: National Alcohol Fuel and Farm Commodity Production Act of 1979

Bill Nos. H.R. 3905

The Full ~~(Sub)~~ Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr. Whitley	Mr. Wampler
Mr. de la Garza	Mr. Daschle	Mr. Symms
Mr. Jones (Tenn.)	Mr. Hance	Mr. Madigan
Mr. Rose	Mr. Anthony	Mr.s Heckler
Mr. Nolan	Mr. Stenholm	Mr. Jeffords
Mr. Weaver	Mr.	Mr. Kelly
Mr. Baldus	Mr.	Mr. Grassley
Mr. Harkin	Mr.	Mr. Hagedorn
Mr. Bedell	Mr.	Mr. Coleman
Mr. English	Mr.	Mr. Marlenee
Mr. Fithian	Mr.	Mr. Hopkins
Mr. Panetta	Mr.	Mr. Thomas
Mr. Skelton	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Glickman	Mr.	
Mr. Akaka	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Gary L. Norton, Assistant Counsel
Bob Franks, Assistant Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Gene Moos, Staff Analyst

Witnesses:

None

Statements Filed:

None

Tuesday, September 11, 1979
Full Committee
Business Meeting
National Alcohol Fuel and Farm
Commodity Production Act of 1979
H.R. 3905

Action Taken:

-- By unanimous voice vote Glickman amendment to provide that loan guarantees for alcohol fuel plants can be used for maintenance, startup, etc., agreed to.

-- Without objection Mr. Glickman reformed his amendment covering petrochemical substitutes.

-- By voice vote Glickman amendment, as revised, adopted.

-- Without objection Foley amendment to Madigan amendment on utilization of protein content approved.

-- By voice vote Madigan amendment, as amended, agreed to.

-- Bedell amendment to Madigan amendment on limitation of loan guarantee authority adopted without objection.

-- By unanimous voice vote Madigan amendment, as amended, approved.

Acting Chairman de la Garza called the meeting to order for the further consideration of H.R. 3905, the National Alcohol Fuel and Farm Commodity Production Act of 1979.

Mr. Glickman was recognized to explain his pending amendment (copy attached). Mr. Glickman advised that the effect of the amendment would be to remove language which provides that the loan guarantees for alcohol fuel plants can be used for maintenance and operation, as well as initial operation, startup and equipment.

Discussion occurred on the amendment and by a unanimous voice vote the Glickman amendment was agreed to.

Mr. Glickman offered the attached amendment which basically would add the word "alcohols" throughout the bill whenever the term "alcohol fuels" is used, as there are other applications for alcohol besides fuel, i.e. petrochemical substitutes. Discussion occurred on the amendment.

Tuesday, September 11, 1979
Full Committee
Business Meeting
National Alcohol Fuel and Farm
Commodity Production Act of 1979
H.R. 3905

Mr. Glickman asked unanimous consent to revise his amendment to delete the phrase "any non-beverage use, including but not limited to,", and there was no objection. Discussion continued.

Mr. Bedell advised that "methanol" needed to be added to the definition of "alcohol" and that he would offer an amendment later. By a voice vote the Glickman amendment, as reformed, was agreed to.

Mr. de la Garza introduced a guest to the Committee--Dr. Harm Schelhaas, Chairman, Product Board for Dairy, The Netherlands.

Mr. Madigan offered and explained the attached amendment which would require as a condition of direct or guaranteed loans that the applicant satisfactorily demonstrate to the Secretary that the protein content of the feedstock used by the applicant will be extracted for utilization as human or animal food. Discussion occurred.

Mr. Foley suggested that the word "agricultural" be inserted before the word "feedstocks" wherever it appeared in the amendment. Mr. Madigan stated he had no objection, and Mr. Foley asked unanimous consent that the amendment to the Madigan amendment be adopted. There was no objection.

Discussion continued and by a voice vote the Madigan amendment, as amended by the Foley amendment, was approved.

Mr. Madigan offered an amendment (copy attached) which would provide for a new section 7 which would be an overall limitation on loan guarantee authority. Discussion occurred.

Mr. Bedell stated that the section would need a termination date to conform with the bill and suggested that the phrase "for the period beginning on October 1, 1979, and ending on September 30, 1981" be added to the Madigan amendment. Discussion occurred and without objection the Bedell amendment to the Madigan amendment was agreed to.

Discussion continued and by a unanimous voice vote the Madigan amendment, as amended, was adopted.

Mr. Wampler moved that the Committee adjourn, and at 12:05 p.m. the Committee adjourned to reconvene at 10:30 a.m. on Wednesday, July 12, for further consideration of amendments to the bill, H.R. 3905.

Glenda Temple

H.R. 3905

AMENDMENT BY MR. GLICKMAN TO

COMMITTEE PRINT

Page 2, line 12, strike "and maintenance".

Page 2, lines 20-21, strike "and operation".

Page 3, lines 1-2, strike "and operation".

Page 3, line 19, strike "and operation".

Page 5, line 11, strike "and operation".

Page 9, line 12, following the words "alcohol fuel" add ", and may include initial operation, start-up, necessary equipping and purchase of a completed facility for any loan or loan guarantee made pursuant to this Act".

AMENDMENT BY MR. GLICKMAN TO
BEDELL SUBSTITUTE TO H.R. 3905

Page 2, line 3, immediately preceding "Alcohol Fuel" insert "Alcohols and".

Page 2, line 9, immediately following the section number insert "Alcohols and".

Page 2, line 12, following the words "for the production of" insert "alcohols and".

Page 2, line 18, immediately following the words "supply of" insert "alcohols and".

Page 2, line 21, immediately preceding the words "alcohol fuel" insert "alcohols and".

Page 2, line 22, immediately following the words "1,000,000 gallons of" insert "alcohols and".

Page 3, line 2, immediately following the words "operation of" insert "alcohols and".

Page 3, line 6, immediately following the words "other persons operating" insert "alcohol and".

Page 3, line 20, immediately preceding the words "alcohol fuel" insert "alcohols and".

Page 6, line 22, immediately following the word "production of" insert "alcohols and".

Page 7, line 18, immediately following the words "production of" insert "alcohols or".

Page 8, line 9, immediately following the words "for purposes of" insert "alcohol and".

Page 8, line 14, immediately following the words "needs of the" insert "alcohols and".

Page 9, line 1, insert a new paragraph (1) as follows and renumber the other paragraphs accordingly:

"(1) the term 'alcohols' means methanol or ethanol produced from renewable resources for any non-beverage use, including but not limited to, use as a petrochemical or petroleum substitute;".

Page 12, line 15, immediately preceding the words "alcohol fuel" insert "alcohols and".

Page 13, line 18, immediately preceding the words "alcohol fuels" insert "alcohols and".

Page 14, line 2, immediately following the words "feasibility of" insert "alcohols and".

And amend the title by inserting the words "alcohols and" immediately preceding "alcohol fuel plants".

AMENDMENT TO THE

COMMITTEE PRINT OF H.R. 3905

Offered by Mr. Madigan

On page 4, line 20, insert after the period the following new sentence: "No direct loan may be made under this section unless the applicant demonstrates to the satisfaction of the Secretary that under the manufacturing process used by the applicant the protein content of any feedstock utilized in the production of alcohol fuel manufactured by such applicant will be extracted to the extent practicable for utilization as human or animal food."

On page 6, following line 1, insert a new paragraph (F) reading as follows and redesignate current paragraph (F) as paragraph (G):

"(F) the applicant demonstrates to the satisfaction of the Secretary that under the manufacturing process used by the applicant the protein content of any feedstock utilized in the production of alcohol fuel manufactured by such applicant will be extracted to the extent practicable for utilization as human or animal food."

Explanation

This amendment would require as a condition of direct or guaranteed loans that the the applicant satisfactorily demonstrate to the Secretary that the protein content of the feedstock used by the applicant will be extracted to the extent practicable for utilization as human or animal food.

AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H. R. 3905 OF MR. BEDELL

OFFERED BY MR. _____

Page 14, insert after line 25 the following:

LIMITATION ON LOAN GUARANTEE AUTHORITY

SEC. 7. The cumulative total of the principal of all loans guaranteed under all laws administered by the Secretary of Agriculture, the Commodity Credit Corporation, and the Farmers Home Administration on or after the date of enactment of this section for the production of alcohol from forest products, wood waste residues, agricultural commodities, and other renewable resources shall not at any time exceed $1,000,000,000.

Page 15, line 2, strike out ''SEC. 7.'' and insert in lieu thereof ''SEC. 8''.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, September 11, 1979 - A.M.

(Sub) Committee on Conservation and Credit

Meeting: Public Hearing

Subject: To consider extension of the Great Plains Conservation Program

Bill Nos. H.R. 3693, H.R. 3789, H.R. 4314

The Conservation and Credit (Sub) Committee

met in Open Session at 10:06 a.m. o'clock, in Room 1302

The following Members were present:

Mr. Jones, Tenn.	Mr. Madigan	Mr.
Mr. Harkin	Mr. Marlenee	Mr.
Mr. Hance	Mr. Hopkins	Mr.
Mr. Baldus	Mr.	Mr.
Mr. English	Mr.	Mr.
Mr. Daschle	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Bob Cashdollar, Subcommittee Staff Consultant
Wayne Fletcher, Staff Assistant
James Johnson, Staff Assistant
Frances Monaghan, Staff Assistant
Kate Garvin, Assistant Counsel
Eleanor Walsh, Staff Assistant

Witnesses:

1. Hon. Virginia Smith, Member of Congress from Nebraska

2. Hon. Douglas K. Bereuter, Member of Congress from Nebraska

3. Dr. M. Rupert Cutler, Assistant Secretary of Agriculture for Natural Resources and Environment, U.S. Department of Agriculture

   Acc. by: Mr. Edward E. Thomas, Assistant Administrator for Land Resources, Soil Conservation Service, USDA

4. Mr. Ray V. Fitzgerald, Administrator, Agricultural Stabilization and Conservation Service, U. S. Department of Agriculture

   Acc. by: Mr. Alan Durick, Director, Conservation and Environmental Protection Division, ASCS

5. Mr. Jim Dickinson, Private Lands and Water Usage Association of Omaha, Nebraska, for National Cattlemen's Association, Washington, D.C.

6. Panel - National Association of Conservation Districts, Washington, D. C.

   Mr. Ken Kuykendall, Cherokee, Texas
   Mr. Walt Dion, Havre, Montana
   Mr. Leonard Graumann, Granite, Oklahoma
   Mr. Peter Meike, Jr., Gaycee, Wyoming

Statements Filed:

Hon. Keith G. Sebelius, Member of Congress from Kansas

Tuesday, September 11, 1979 A.M.
Subcommittee on Conservation
and Credit
Public Hearing
To consider extension of the
Great Plains Conservation
Program

Chairman Jones called the meeting to order and presented an opening statement.

The witnesses listed on page two of these minutes were then recognized for their prepared testimony. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

Chairman Jones recessed the meeting at 11:50 a.m. to reconvene at 2:00 p.m. this date.

Eleanor Walsh

Eleanor Walsh

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, September 11, 1979 - P.M.

(Sub) Committee on Conservation and Credit

Meeting: Public Hearing

Subject: To consider extension of the Great Plains Conservation Program

Bill Nos. H.R. 3693, H.R. 3789, H.R. 4314

The Conservation and Credit (Sub) Committee

met in Open Session at 2:11 p.m o'clock, in Room 1302

The following Members were present:

		Also Present
Mr. Jones, Tenn.	Mr. Madigan	Mr. de la Garza
Mr. Harkin	Mr.	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Bedell	Mr.	Mr.
Mr. Daschle	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:
Bob Cashdollar, Subcommittee Staff Consultant
Jim Johnson, Staff Assistant
Wayne Fletcher, Staff Assistant
Kate Garvin, Assistant Counsel
Frank Winston, Staff Assistant
Sam Hayes, Staff Assistant
Eleanor Walsh, Staff Assistant

Witnesses:

1. Hon. E de la Garza, Member of Congress from Texas

2. Mr. Robert Koch, National Limestone Institute, Fairfax, Virginia

3. Panel - National Association of Farmer-Elected Committeemen

   Mr. Nelson Hunstead, President, of Bath, South Dakota
   Mr. Billy League, Vice President, of Huntsville, Alabama
   Mr. Lawrence Hughes, Tennessee Association of Farmer-Elected Committeemen, of Arlington, Tennessee

4. Mr. Michael Strother, Land Improvement Contractors of America, Washington, D. C.

5. Mr. Neal Sampson, National Association of Conservation Districts, Washington, D. C.

6. Mr. John Artz, Member of Board of Directors, Society for Range Management, Denver, Colorado

Statements Filed:

N O N E

Tuesday, September 11, 1979 P.M.
Subcommittee on Conservation
and Credit
Public Hearing
To consider extension of the
Great Plains Conservation
Program

Acting Chairman Bedell called the meeting to order at 2:11 p.m. and recognized the witnesses listed on page two of these minutes for their prepared testimony and questioning by the Members as appearing in the record.

During the meeting, two recesses were taken at 3:00-3:27 and 3:58-4:15 to enable Members to respond to rollcall votes on the House Floor.

Chairman Jones adjourned the meeting at 4:21 to reconvene subject to the call of the chair.

Eleanor Walsh

Eleanor Walsh

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, September 12, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: National Alcohol Fuel and Farm Commodity Production Act of 1979

Bill Nos. H.R. 3905

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 o'clock, in Room 1301.

The following Members were present:

Mr. Foley	Mr. Hance	Mr. Wampler
Mr. Jones (Tenn.)	Mr. Anthony	Mr. Sebelius
Mr. Mathis	Mr. Stenholm	Mr. Symms
Mr. Bowen	Mr.	Mr. Madigan
Mr. Rose	Mr.	Mr. Kelly
Mr. Nolan	Mr.	Mr. Grassley
Mr. Weaver	Mr.	Mr. Hagedorn
Mr. Harkin	Mr.	Mr. Coleman
Mr. Bedell	Mr.	Mr. Thomas
Mr. English	Mr.	Mr.
Mr. Fithian	Mr.	Mr.
Mr. Panetta	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Coelho	Mr.	
Mr. Daschle	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Gary Norton, Assistant Counsel
Kate Garvin, Assistant Counsel
Glenda Temple, Clerk
Gene Moos, Staff Analyst

Witnesses:

None

Statements Filed:

None

Wednesday, September 12, 1979
Full Committee
Business Meeting
National Alcohol Fuel and Farm
Commodity Production Act of 1979
H.R. 3905

Action Taken:

-- Report language on Huckaby amendment requested.

-- Huckaby amendment to increase the guarantee of loans to 90 percent agreed to by a voice vote.

-- Madigan amendment to Madigan amendment on calculation of amount of petroleum, natural gas, or petroleum based products used to produce feedstocks agreed to by voice vote.

-- By unanimous voice vote Foley amendment to Madigan amendment adopted.

-- By voice vote, Madigan amendment, as amended, adopted.

-- Without objection Foley amendment to Bowen amendment agreed to.

-- Bowen amendment, as reformed, approved by unanimous voice vote.

-- By unanimous voice vote Mathis amendment to Thomas amendment approved.

-- By unanimous voice vote Thomas amendment, as amended, agreed to.

-- Harkin amendment withdrawn, without prejudice, for redrafting.

-- Kelly amendment deleting credit elsewhere test not agreed to by show of hands vote 4 to 14.

Chairman Foley called the meeting to order for the purpose of continuing consideration of the National Alcohol Fuel and Farm Commodity Production Act of 1979. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. Mathis
2. Mr. Bowen
3. Mr. Harkin
4. Mr. Bedell
5. Mr. English
6. Mr. Fithian
7. Mr. Glickman
8. Mr. Daschle
9. Mr. Stenholm
10. Mr. Sebelius
11. Mr. Madigan
12. Mr. Kelly
13. Mr. Grassley
14. Mr. Foley
15. Mr. Weaver
16. Mr. Huckaby
17. Mr. Hance
18. Mr. Anthony
19. Mr. Panetta
20. Mr. Wampler

Wednesday, September 12, 1979
Full Committee
Business Meeting
National Alcohol Fuel and Farm
Commodity Production Act of 1979
H.R. 3905

Twenty Members having responded, a one-third quorum was established pursuant to previous notice under Committee Rules.

Mr. Huckaby offered the following amendment to increase from 75 per centum to 90 per centum the principal and interest of loans made by private lenders which may be guaranteed by the Secretary under the bill.

Page 2, line 23, strike out "75 per centum" and insert in lieu thereof "90 per centum".

Discussion occurred on the amendment. Mr. Mathis, Mr. Daschle and Mr. Hagedorn suggested that Report language be included to clarify that the Secretary had the discretion to go up to 90 percent but could go for a less amount of the guarantee.

Discussion continued and by a voice vote the amendment was agreed to. Mr. Kelly requested a roll call vote but only three Members (an insufficient number) voted to sustain the request.

Mr. Madigan was recognized to offer and explain an amendment which would insert a new subsection (i) on page 9. A copy of the amendment and explanation is attached. Discussion occurred.

Mr. Madigan asked to amend his pending amendment to delete that part of the proviso which includes a calculation of the amount of petroleum, natural gas, or petroleum-based products used to produce the feedstock, by striking the following language on lines 10 and 11 of the amendment: "the amount of petroleum, natural gas, or petroleum-based products used to produce the feedstock,". Discussion occurred and by a voice vote the amendment was agreed to. Mr. Kelly requested a recorded vote and three Members voted to sustain the request (an insufficient number).

Discussion continued and Mr. Foley moved to amend the pending Madigan amendment by inserting after "agricultural commodities" the phrase "or other feedstocks". Discussion occurred and by a unanimous voice vote the Foley amendment was adopted.

By a voice vote the Madigan amendment, as amended, was approved.

Mr. Bowen offered the following amendment to include other possible sources of alcohol production:

In section 2, page 2, line 13, and everywhere else that the words "wood waste residues" appear, strike those words and insert in lieu thereof "wood and other agricultural waste residues and byproducts".

Discussion occurred and Mr. Foley asked if there was objection to changing the language to read "wood, agricultural, and other waste residues and byproducts". There was no objection.

By a unanimous voice vote the Bowen amendment, as reformed, was adopted.

Mr. Thomas offered the following amendment to clarify that no loan may be made or guaranteed after September 30, 1981.

On page 6, following line 19, add a new paragraph (3) reading as follows:

"(3) No loan may be made or guaranteed under this section after September 30, 1981.".

Discussion occurred and Mr. Mathis asked that the word "new" be inserted before the word "loan" to further clarify the section. Without objection the Mathis amendment to the Thomas amendment was agreed to.

Discussion continued and by a unanimous voice vote the Thomas amendment, as amended, was adopted.

Mr. Harkin offered the attached amendment to require the Secretary to dispose of any grain that is declared to be out of condition and to give small businesses priority for the purchase of this grain for the production of alcohol fuels. Discussion occurred. Without objection Mr. Harkin withdrew his amendment, without prejudice, in order to redraft the amendment to take care of issues raised during discussion.

Mr. Kelly offered the following amendment to delete the credit elsewhere test.

On page 5, strike lines 8 through 14.

Wednesday, September 12, 1979
Full Committee
Business Meeting
National Alcohol Fuel and Farm
Commodity Production Act of 1979
H.R. 3905

Discussion occurred on the amendment. Mr. Kelly requested a recorded vote and 3 Members (an insufficient number) voted to sustain the request. Mr. Symms requested a division vote and by a show of hands vote of 4 yeas-14 nays the Kelly amendment was not approved.

At 12:15 p.m. the meeting was adjourned to reconvene on Thursday, September 13, at 10:30 a.m. to continue consideration of the bill, H.R. 3905.

Glenda Temple

AMENDMENT TO THE COMMITTEE PRINT OF H.R. 3905

Offered by Mr. Madigan

On page 9, following line 12, insert a new subsection (i) reading as follows:

"(i) No loan may be made or guaranteed under this section unless the Secretary finds that the applicant for such loan has established to the Secretary's satisfaction (A) that the energy contained in the alcohol or alcohol fuel products to be produced from agricultural commodities will exceed the energy contained in any petroleum, natural gas, or petroleum-based products consumed in the production of such alcohol or alcohol fuel: Provided, That included in the determination of such finding, among other things, shall be a calculation of the amount of petroleum, natural gas, or petroleum-based products used to produce the feedstock, the amount of petroleum, natural gas, or petroleum-based products used in the processing and distilling of the feedstock and preparation of the alcohol and alcohol fuel for ultimate use, and such other elements in measuring the amount of energy consumed in the production of such alcohol or alcohol fuel as the Secretary deems appropriate to achieve the purposes of this section: Provided, further That the Secretary, in making his finding of energy consumed in the production of alcohol or alcohol fuel, shall allow energy credits for the production of saleable and usable products or by-products which the applicant will in fact realize in the production

of such alcohol or alcohol fuel; and (B) that the applicant meets such other conditions relating to fuel efficiency as the Secretary deems appropriate to achieve the purposes of this section."

Conforming amendment: Delete lines 15-22 on page 5.

Explanation

This amendment would authorize both direct and guaranteed loans only if the Secretary finds that the applicant has established that the energy contained in the alcohol manufactured from agricultural commodities will exceed the energy contained in the petroleum, natural gas, or petroleum-based products consumed in the production of such alcohol, including that used to produce and process the feedstock.

AMENDMENT TO COMMITTEE PRINT
OFFERED BY MR. HARKIN

On page 12, insert immediately at the end of line 9 the following:

"The Secretary shall make available for sale to persons engaged in the production of alcohol fuels agricultural commodities owned or controlled by the Corporation which have substantially deteriorated in quality or as to which there is danger of loss or waste through deterioration or spoilage and such sales may be made without regard to the restrictions contained in subsection (a). Such commodities shall first be offered for sale to small businesses as defined in the Small Business Act."

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date September 12, 1979

(Sub) Committee Forests

Meeting: Public Hearing and Business Meeting

Subject: Wood Utilization Act of 1979

Bill Nos. H.R. 5220

The Forests (Sub) Committee

met in public hearing and business meeting Session at 9:30 a.m. o'clock, in Room 1302 LHOB

The following Members were present:

Mr. Anthony	Mr. Johnson (Col.)	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Weaver	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Margaret (Peggy) Thomson, Subcommittee Staff Consultant
Gary Norton, Assistant Counsel
Christine Abram, Staff Assistant
Rita Di Simone, Staff Assistant

56-383 O - 80 - 15

Witnesses:

1. Mr. Douglas Leisz, Associate Chief, U.S. Forest Service, U. S. Department of Agriculture
   Acc. by: Dr. Weldon Barton, Director, Department of Energy, U. S. Department of Agriculture

2. Mr. Kenneth Hampton, National Wildlife Federation, Washington, DC

3. Mr. Gene Bergoffen, Assistant Vice President for Resource Programs, National Forest Products Association, Washington, DC
   Acc. by: Mr. Douglas W. MacCleery, Manager, Federal Forest Management Programs, National Forest Products Association.

Statements Filed:

September 12, 1979
Forests Subcommittee
Public Hearing followed by Business Meeting
Wood Utilization Act of 1979
H.R. 5220

Action taken:

-- Weaver motion that Weaver substitute for H.R. 5220 be adopted and open for amendment was adopted by voice vote.
-- Johnson amendment of Section 4 adopted by voice vote.
-- Weaver motion to adopt amendment suggested by National Wildlife Federation adopted without objection.
-- Johnson motion to report the bill to the full Committee adopted by unanimous voice vote.

Chairman Weaver called the meeting to order at 9:30 a.m. for the purpose of hearing and questioning the witnesses listed on page 2 of these Minutes.

At 9:46 a.m. the meeting moved into Business (Markup) Session. Mr. Weaver asked unanimous consent that the substitute for H.R. 5220 be adopted and open for amendment. Without objection, the motion was approved. A copy is provided immediately following these Minutes as Appendix I.

Mr. Johnson moved to amend Section 4 to insert after "The Secretary shall require" the words ", at levels appropriate to opportunities to remove for utilization," This amendment was adopted by voice vote.

Mr. Weaver moved an amendment suggested by the National Wildlife Federation which would establish certain study and monitoring requirements. A copy of this amendment as revised by the staff per instructions by Mr. Weaver is attached to these Minutes as Appendix II.

Mr. Johnson moved that the subcommittee report the bill to the full Committee. The motion was adopted by unanimous voice vote.

Mr. Weaver asked unanimous consent "that the staff shall have authority to make any technical or typographical corrections and to put any language in the appropriate place in the bill." There being no objection, the staff was so instructed.

At 10:50 the Chairman adjourned the meeting subject to the call of the Chair.

Christine Abram

Christine Abram

APPENDIX I

01/21

96th CONGRESS
1st SESSION

H.R. _____

(Original signature of Member)

IN THE HOUSE OF REPRESENTATIVES

Mr. Weaver introduced the following bill; which was referred to the Committee on Agriculture

A BILL

(Insert title of bill here)

To authorize the Secretary of Agriculture to establish a Wood Utilization Program to improve the use of renewable resources in timber harvesting, forest protection and management, and the manufacture of wood products including energy through guaranteed loans, timber sales, and other activities.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Wood Utilization Act of 1979.

Sec. 2. For purposes of (1) developing, demonstrating, improving and promoting for rapid and widespread use commercially viable and economically feasible methods to increase utilization of wood products resulting from timber harvesting, forest protection and management, and the manufacture of forest products including wood pulp, wood waste residues and energy; (2) reducing the hazard of forest wildfires; (3) reducing the adverse effects on air quality of burning wood waste residues; (4) enhancing the long term

productivity of forest resources in each region and for the nation as a whole; and (5) assisting in meeting growing demands for wood products by encouraging the development of markets for underutilized forest resources there is hereby established a Wood Utilization Program.

Sec. 3. (a) In order to assist persons, including any public, private, or cooperative organization, in the purchase of wood energy and wood utilization equipment and the construction and maintenance of facilities for the wood utilization of forest products and the production of energy derived from forest products, the Secretary is authorized--

(1) to make loans directly to such persons for 80 per centum of the cost of the purchase of wood energy and wood utilization equipment or construction and operation of wood energy and wood utilization facilities;

(2) to guarantee payment of 75 per centum of the principal of and interest on loans made by private lenders to such persons for the purchase of wood energy and wood utilization equipment in the construction and operation of wood energy and wood utilization facilities.

(3) to consolidate, sell, or otherwise dispose of wood products, to persons receiving direct loans and loan guarantees under this section and to other persons operating wood energy and utilization facilities in accordance with subsection (e); and

(4) to make such regulations, to enter into such contracts and cooperative agreements, and to take such other actions as may be necessary to carry out this section.

(b) No loan may be made or guaranteed under this section unless an application therefor has been submitted to and approved by the Secretary. Such application shall be submitted in such form and according to such procedures as the Secretary may require by regulation. Such application shall contain--

(1) assurances by the applicant that any loan made or guaranteed under this section shall be used for the purchase of wood energy or wood utilization equipment or construction and operation of wood energy or wood utilization facilities utilizing wood ~~products~~;

(2) information concerning the total cost of the purchase of equipment or construction of the facility for which such loan is sought, estimates of the operating costs and income to be derived from the operation of such equipment or facility, and any other financial information the Secretary may require; and

(3) such other information or assurances as the Secretary may require.

The Secretary shall approve or disapprove any application within ninety days after receiving such application. If the Secretary disapproves an application, he shall make the reasons for such disapproval available to the applicant. Any application disapproved under this subsection may be amended and, when resubmitted, shall be considered as an original application.

(c)(1) The interest rate on direct loans made under this section shall be determined by the Secretary, except that such rate shall not exceed the current average market yield on outstanding marketable obligations of the United States of comparable maturities plus 1 per centum. Such direct loans

shall be made according to such other terms and conditions as the Secretary determines by regulation as sufficient to protect the financial interests of the United States.

(2) A loan may be guaranteed under this section only if--

(A) such loan is for a term not in excess of twenty years;

(B) the Secretary determines that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to such loan are reasonable and meet such standards as the Secretary determines by regulation are sufficient to protect the financial interests of the United States, taking into account the range of interest rates prevailing in the private market for other loans guaranteed by the United States;

(C) the Secretary determines that the applicant is unable without a guarantee under this section to obtain sufficient credit elsewhere to finance the construction and operation of the facility for which such loan is sought at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar periods of time;

(D) the applicant agrees to keep such records and afford such access thereto, and make such reports, in such form, at such times, and containing such information, as the Secretary may require by regulation; and

(E) such other conditions as the Secretary deems appropriate to achieve the purposes of this section and

to protect the financial interests of the United States are met.

(d)(1) For the period beginning on October 1, 1980, and ending on September 30, 1982, the cumulative total of the principal of and interest on loans outstanding at any time guaranteed under this section shall not exceed $500,000,000.

(2) For the period beginning on October 1, 1980, and ending on September 30, 1982, the cumulative total of the amount of direct loans made under this section shall not exceed $200,000,000.

(e)(1) In order to assure that persons receiving direct loans or loan guarantees under this section and other persons operating facilities for the production of wood energy have a dependable supply of wood products at a stable price for use in such facilities, the Secretary is authorized to enter into sales contracts, not to exceed ten years, with such persons to sell annually to such persons a specified quantity of forest products upon specified terms of delivery at a price upon which the Secretary and such persons mutually agree. For purposes of complying with contracts entered into under this paragraph, the Secretary may supply wood products from other Federal, State and other governmental agencies, public or private institutions, universities, and organizations, business entities, and individuals in the United States.

(2) Any contract for the sale of any wood products to any buyer under this subsection shall provide that such wood products shall be used for the production of wood energy.

(3) The Secretary shall make available such amounts of

forest products as may be necessary to meet obligations under contracts entered into under this subsection.

(4) In carrying out this section, the Secretary may use the funds available for use by, and the facilities and services of, the Commodity Credit Corporation or any other agency in the Department of Agriculture.

Sec. 4. The Secretary shall require the removal by the timber purchaser or contractor of wood products resulting from timber harvesting which will enhance and will not harm the long term productivity of forest resources when in the judgment of the Secretary these actions will further the purposes of this Act: Provided, however, That nothing shall abrogate or modify the slash disposal provisions of existing contracts for the sale of national forest timber except to the extent such changes are mutually agreed to by the parties to such contracts.

Sec. 5. The Secretary is required to sell, consolidate for sale, or otherwise dispose of wood products and may acquire from other Federal, State and other governmental agencies, public or private institutions, universities, and organizations, business entities, and individuals in the United States wood products for sale, for consolidation or for other disposal when in the judgment of the Secretary, these actions will further the purposes of this Act: Provided, however, That priority to purchase or otherwise obtain wood products for energy production shall be given first to public bodies or cooperatives.

Sec. 6. The Secretary shall make grants to State and other governmental agencies, public and private institutions, universities, business entities, and individuals in the United States that will share the costs of pilot projects and demonstrations: Provided, That pilot projects funded under this subsection shall provide that non-Federal cooperators must contribute at least 50 per centum of the costs of wood energy and wood utilization equipment used in the pilot project and 50 per centum of the costs of the construction of facilities for the utilization of forest products and the production of energy which are used in the pilot project: Provided, further, That the Secretary is authorized to and may transfer and vest title to wood energy and wood utilization equipment and facilities acquired in connection with the pilot project to the recipient without further obligation to the government, or on such other terms and conditions as deemed appropriate.

Sec. 7. The Secretary shall make brief annual reports to the Congress on the Wood Utilization Program. The report shall be submitted with the reports required in section 8(c) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (90 Stat. 2949, as amended; (16 U.S.C. 1600).

Sec. 8. The Secretary shall survey and analyze the present status of wood utilization and project the volume of wood waste residue for public and private timberlands.

Surveys conducted pursuant to this section shall be coordinated with the comprehensive surveys authorized by section 3(b) of the Forest and Rangeland Renewable Resource Research Act of 1978 (92 Stat. 353; 16 U.S.C. 1641) and shall be conducted on a regional basis.

Sec. 9. The Secretary shall ensure that reports and surveys required by this Act are coordinated with the land management plans prepared pursuant to section 6 of the National Forest Management Act and the State Forest Resource Program prepared pursuant to section 9 of the Cooperative Forestry Assistance Act.

Sec. 10. Nothing in this Act shall be construed to repeal or amend the provisions of the National Forest Management Act or the Multiple Use Sustained Yield Act as amended. The Administration of this Act shall be consistent with the administration of the National Forest Management Act and the Multiple Use Sustained Yield Act.

Sec. 11. The Secretary shall issue such regulations the Secretary deems necessary to implement the provisions of this Act.

Sec. 12. For purposes of this Act--

(1) "wood energy facility" means any facility which produces forest products used in the production of energy or produces energy from forest products;

(2) "wood utilization equipment" means any equipment or vehicle which is used in timber harvesting, forest protection and management, or the manufacture of wood products to increase wood utilization.

(3) "wood energy equipment" means any equipment or vehicle used in timber harvesting, forest protection and management, or the manufacture of wood products to produce energy.

(4) "wood products" means, in addition to products manufactured from wood, trees, parts of trees, wood waste residue, slash and other underutilized material or dead and dying timber.

Sec. 13. There is hereby authorized to be annually appropriated for each of the five fiscal years beginning with fiscal year 1981 the sum of $7,500,000 for purposes of administering this Act. Such sums shall be in addition to those provided under other provisions of law and shall remain available until expended.

APPENDIX II

Amend Section 8 to read as follows:

"Sec. 8. The Secretary shall survey and analyze the present status of wood utilization and project the volume of wood waste residue for public and private timberlands. These surveys shall include but not be limited to the environmental consequences of increased utilization from timber harvests upon the forest resources, including the effects on nutrient flow and soil productivity, fish and wildlife and watershed protection. Surveys conducted pursuant to this section shall be coordinated with the comprehensive surveys authorized by section 3(b) of the Forest and Rangeland Renewable Resource Research Act of 1978 (92 Stat. 353; 16 U.S.C. 1641) and shall be conducted on a regional basis."

Amend section 11 to read as follows:

"Sec. 11. The Secretary shall issue such regulations as the Secretary deems necessary to implement the provisions of this Act. These regulations shall include but not be limited to guidelines and standards which shall ensure that:

(1) stump removal on slopes does not accelerate erosion or adversely affect water conditions or fish or wildlife habitat;

(2) wood products critical to nutrient flow are conserved and maintained; and

(3) adequate woody debris, including snags and down logs, is retained as protective cores, feeding and lookout sites, food sources and storage, and nests and dens for wildlife habitat.

These regulations shall be consistent with the regulations implementing the National Forest Management Act and the Multiple Use Sustained Yield Act, as amended."

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, September 13, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: National Alcohol Fuel and Farm Commodity Production Act of 1979

Bill Nos. H.R. 3905

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr. Daschle	Mr. Wampler
Mr. Jones (Tenn.)	Mr. Hance	Mr. Sebelius
Mr. Mathis	Mr. Anthony	Mr. Symms
Mr. Rose	Mr. Stenholm	Mr. Johnson
Mr. Richmond	Mr.	Mr. Madigan
Mr. Weaver	Mr.	Mr. Kelly
Mr. Baldus	Mr.	Mr. Grassley
Mr. Harkin	Mr.	Mr. Hagedorn
Mr. Bedell	Mr.	Mr. Coleman
Mr. English	Mr.	Mr. Marlenee
Mr. Fithian	Mr.	Mr. Hopkins
Mr. Panetta	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Akaka	Mr.	
Mr. Whitley	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Gary L. Norton, Assistant Counsel
Kate Garvin, Assistant Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant

Witnesses:

None

Statements Filed:

None

Thursday, September 13, 1979
Full Committee
Business Meeting
National Alcohol Fuel and Farm
Commodity Production Act of 1979
H.R. 3905

Action Taken:

-- By voice vote Harkin amendment on disposal of out of condition grain not agreed to.

-- By show of hands vote of 8 yeas-7 nays Daschle amendment providing for renewable energy resources education and technical assistance adopted.

-- Action on Mathis amendment and Glickman point of order on germaneness deferred.

-- Madigan amendment setting maximum limit on direct loans approved by a voice vote.

Chairman Foley called the meeting to order for the purpose of continuing consideration of H.R. 3905, the National Alcohol Fuel and Farm Commodity Production Act of 1979. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. Baldus
2. Mr. Bedell
3. Mr. English
4. Mr. Fithian
5. Mr. Glickman
6. Mr. Daschle
7. Mr. Sebelius
8. Mr. Johnson
9. Mr. Madigan
10. Mr. Kelly
11. Mr. Grassley
12. Mr. Hagedorn
13. Mr. Hopkins
14. Mr. Foley
15. Mr. Richmond
16. Mr. Harkin
17. Mr. Panetta
18. Mr. Hance
19. Mr. Stenholm
20. Mr. Jones (Tenn.)
21. Mr. Weaver

Twenty-one Members having responded a one-third quorum was established pursuant to previous notice under Committee Rules.

Mr. Harkin offered the attached redraft of an amendment (see minutes of September 12) which seeks to require the Secretary to dispose of any grain he declares to be out of condition and to use that grain in the production of alcohol and alcohol fuels. Discussion occurred on the amendment and by a voice vote the Harkin amendment was not agreed to.

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Mr. Daschle offered the attached amendment which provides for renewable energy resources education and technical assistance. He advised that in addition to the printed amendment on page 14, line 2 of the bill, section 7 should become section 8. Discussion occurred on the amendment and by a show of hands vote of 8 yeas-7 nays the Daschle amendment was adopted.

Mr. Mathis offered the attached amendment which would mandate that the Federal Government give preference to gasohol in seeking contracts for fuel purchases. Mr. Glickman made a point of order that the amendment was not germane since a similar bill was referred to the Interstate and Foreign Commerce Committee and not under the jurisdiction of the Agriculture Committee. Discussion occurred. Acting Chairman Jones asked unanimous consent to defer ruling on the point of order until a later time and there was no objection. Further consideration of the amendment was deferred.

Mr. Madigan was recognized to offer an amendment to prohibit the Secretary from making direct loans in excess of $1 million, as follows:

On page 2, line 19, after the word "loans"
insert "not to exceed $1,000,000".

Discussion occurred on the amendment and by a voice vote the Madigan amendment was agreed to.

During the proceedings one recess was taken at 11:50 a.m. to enable Members to respond to a recorded vote on the House Floor. At 12:10 p.m. the meeting was adjourned to reconvene at 10:30 a.m. on Friday, September 14, at which time the pending business of the Committee will be the amendment by Mr. Mathis and the point of order on germaneness by Mr. Glickman.

Glenda Temple

AMENDMENT TO COMMITTEE PRINT

OFFERED BY MR. HARKIN

Page 12, insert immediately at the end of line 9 the following:

"The Secretary shall make available for sale to persons for the production of alcohols and alcohol fuels agricultural commodities owned or controlled by the Corporation which have substantially deteriorated in quality or as to which there is danger of loss or waste through deterioration or spoilage before such commodities are made available for sale for any other purpose. Such sales may be made without regard to the restrictions contained in subsection (a). Such commodities shall first be offered for sale to small businesses, as defined in the Small Business Act, for the production of alcohols and alcohol fuels,".

AMENDMENT TO THE

COMMITTEE PRINT OF H.R. 3905

Offered by Mr. Daschle

On page 14, after line 25, insert the following new section and redesignate succeeding sections accordingly:

RENEWABLE ENERGY RESOURCES EDUCATIONAL AND TECHNICAL ASSISTANCE

SEC. 7. Subtitle B of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by adding at the end thereof the following new section:

"RENEWABLE ENERGY RESOURCES EDUCATIONAL AND TECHNICAL ASSISTANCE PROGRAMS

"SEC. 1413A. (a) The Secretary, in cooperation with State directors of cooperative extension, administrators of extension for land-grant colleges and universities and other Federal Departments and agencies shall provide educational programs for producers of agricultural commodities, forest products, wood waste residues, agricultural residues, and other renewable resources to

"(1) inform such producers of the feasibility of using such resources as energy resources,

"(2) disseminate to such producers information regarding the results of research on the use of such resources as energy resources,

"(3) inform such producers of the best available technology for the use of such resources as energy resources, and

"(4) provide technical assistance to such producers to improve their ability to efficiently use such resources as energy resources.

"(b) In implementing this section, all appropriate educational methods may be used including meetings, short courses, workshops, tours, demonstrations, publications, news releases and radio and television programs.

"(c) The State director of cooperative extension and the administrators of extension for land-grant colleges and universities in each State shall jointly develop, by mutual agreement, a single recommended, comprehensive and coordinated plan which includes every renewable energy resources educational, and technical assistance program. Each State's plan shall be submitted to the Secretary annually. The National Agricultural Research Extension Users Advisory Board established under section 1408 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, shall review and make recommendations to the Secretary pertaining to programs conducted under this section. Each State will submit an annual progress report to the Secretary before 1 January following the fiscal year for which such report is made.

"(d) Funds made available under this section shall be provided to the State director of cooperative extension and the administrators of extension for land-grant colleges and universities in each State in proportion to the annual production of agricultural commodities, forest products, wood waste residues, agricultural residues, and other renewable resources produced in the State involved.

"(e) There are hereby authorized to be appropriated $10,000,000 for the fiscal year ending September 30, 1980, and $10,000,000 for the fiscal year ending September 30, 1981 for the purposes of carrying out this section.

"(f) This section will take effect October 1, 1979."

An amendment offered by Mr. Mathis

DEFINITION

SEC. 4. For purposes of this Act, the term "gasohol" means a motor fuel consisting of 90 per centum gasoline, and 10 per centum methanol or ethanol which is suitable for use by itself or in combination with other fuels as a motor fuel and which is not refined from petroleum and which does not use any petroleum fuel as a heat source for the process of manufacture.

PREFERENTIAL GASOHOL BULK PURCHASES

SEC. 5. (a) Within six months after the date of enactment of this Act, the head of each department or agency of the United States Government which has responsibility for purchasing motor gasoline in bulk for use in motor vehicles owned or operated by such department or agency shall prepare and publish in the Federal Register regulations providing that, in seeking suppliers or bidders for the purchase of such gasoline, preference shall be given to any such supplier or bidder who offers gasohol in lieu of ordinary gasoline for all or any portion of the needs of such department or agency: *Provided,* That the cost of such gasohol shall not exceed 115 per centum of the cost by volume of ordinary motor gasoline.

(b)(1) Regulations promulgated pursuant to this section shall provide that each agency or department with responsi-

bilities under this Act shall, within a reasonable time prior to receiving bids on bulk fuel purchases, solicit from all suppliers or potential suppliers of gasohol a statement of intention to bid on all or any portion of such purchases. Such statement of intention to bid shall set forth with particularity such information as will allow each such agency or department to determine the amounts of gasohol that can be provided by the supplier submitting the statement, that such gasohol meets the criteria set forth in this Act, that the price of such gasohol will not exceed 115 per centum of the prevailing price by volume for bulk purchases of ordinary gasoline, and such other information as the agency or department finds is necessary or appropriate.

(2) Following receipt and evaluation of the statements of intention to bid described in paragraph (1) of this subsection, the agency or department shall determine and publish what portion of its fuel needs can be met with gasohol. Such agency or department shall then set aside such portion to be bid upon by suppliers of gasohol. The balance of the fuel needs of such department or agency, if any, may be provided for according to ordinary and customary procedures as is provided in the regulations of such department or agency.

(3) In the case of two or more competing suppliers of gasohol, the contract for the purchase of gasohol shall be awarded to the lowest bidder, or in the same manner and

subject to the same procedures as would govern similar competing suppliers of ordinary gasoline under the same circumstances, except that, if such offers are for less than the total needs of such department or agency, the award shall be allocated among the two or more competing gasohol suppliers in such manner as will maximize the purchase of gasohol by the agency or department.

(4) Nothing in this subsection shall be construed as requiring such department or agency to purchase de minimus amounts of gasohol.

(c) Regulations promulgated pursuant to this section may provide for such exceptions or exemptions as are required due to the lack of availability of gasohol, or significant and specific technical difficulties, such as incompatability of gasohol with efficient or proper motor vehicle operation based upon specific design criteria, or extreme climatic conditions which have been found to significantly impair the operation of gasohol fueled vehicles.

(d) Each head of an agency or department with responsibilities under this Act shall make every reasonable effort to maximize awareness of the program established by this Act among suppliers and potential suppliers of gasohol.

RETAIL GASOHOL PURCHASES

SEC. 10. Within six months after the date of enactment of this Act, the head of each department or agency of the

United States Government which has responsibility for contracts for the retail sale of gasoline for use in vehicles owned or operated by such department or agency shall prepare and publish in the Federal Register regulations providing that, in seeking suppliers or bidders for the retail purchase of such gasoline, preference shall be given to any such supplier or bidder who offers gasohol in lieu of ordinary gasoline: *Provided*, That the cost of such gasohol shall not exceed 115 per centum of the cost by volume of retail gasoline: *And provided further*, That the retail outlets of such supplier are sufficiently numerous and convenient to meet the fuel supply needs of such agency or department.

ANNUAL REPORTS

SEC. 7. Each agency or department with responsibilities under this Act shall include in such report as is annually submitted to the Congress an evaluation of the program established by this Act, and any recommendations with respect to its improvement which may be necessary or desirable.

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U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, September 13, 1979

(Sub) Committee Forests

Meeting: Business

Subject: Wood Utilization; Tax Credit for Forestry Expenditures

Bill Nos. H.R. 5220; H.R. 4498

The Forests (Sub) Committee

met in open Session at 2:00 o'clock, in Room 1302 LHOB

The following Members were present:

Mr. Weaver (Chrm.)	Mr.	Mr.
Mr. Anthony	Mr.	Mr.
Mr. Johnson	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.

Witnesses:

None

Statements Filed:

None

Thursday, September 13, 1979
Forests Subcommittee
Business Meeting
Wood Utilization; Tax Credit for
Forestry Expenditures
H.R. 5220; H.R. 4498

Action Taken:

-- Without objection H.R. 5220 reconsidered by Subcommittee.

-- Staff directed to forward Committee Print on H.R. 5220 to Department for comment.

-- Weaver Report language on economic feasibility agreed to without objection.

-- Weaver amendments to H.R. 4498 adopted without objection.

-- H.R. 4498, as amended, ordered reported to the full Committee with a favorable recommendation.

Chairman Weaver called the meeting to order. Without objection the Wood Utilization Act (H.R. 5220) was reconsidered by the Subcommittee (see minutes of September 12 for previous action). Attached is a copy of the Committee Print which was placed before the Subcommittee for discussion, amendment, and action.

Counsel Norton explained the provisions of the substitute and discussion occurred.

Chairman Weaver asked that the Committee report reflect the intent of the Subcommittee on economic and energy feasibility in section 4. There was no objection.

Discussion continued and staff was directed to forward the Committee Print to the Department of Agriculture for comment in writing. Final action on the measure was postponed.

The Chairman called for the consideration of H.R. 4498 and offered several amendments, as follows:

1. Delete Title I in its entirety;

2. Delete Title II down to Section 203;

3. Amend Section 203 by striking the figure "$5,000" and inserting in lieu thereof "$50,000" on page 6; and

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4. On page 8, line 10, strike the definition for Qualified Forestry Expenditures and insert in lieu thereof the following:

"The term 'qualified forestry expenditures' means any amount chargeable to capital account and paid or incurred for in connection with the generation or regeneration of a timber stand, including but not limited to (a) site preparation; (b) seeds and seedlings; or (c) labor and tools including depreciation; (d) forest growth and quality; (e) fish and wildlife habitat; (f) soil stabilization; and (g) outdoor recreation.".

Without objection the Weaver amendments were agreed to. Staff was directed to make the necessary technical and clerical corrections to reflect the intent of the Subcommittee.

Mr. Weaver advised that the only section in the bill after amendment was the investment tax credit section. He stated he was not interested in taking away jurisdiction from the Ways and Means Committee but felt that a signal needed to be sent as to the urgent need for the legislation.

Mr. Anthony moved that H.R. 4498, as amended, be ordered reported to the full Committee with the recommendation that it do pass. By a unanimous voice vote the motion was agreed to.

At 3:00 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

Committee Print

96th CONGRESS
1st SESSION

(Original signature of Member)

H.R.

Insert title here ☞

To authorize the Secretary of Agriculture to establish a Wood Utilization Program to improve the use of renewable resources in timber harvesting, forest protection and management, and the manufacture of wood products including energy through guaranteed loans, timber sales, and other activities.

IN THE HOUSE OF REPRESENTATIVES

....., 19.....

Insert sponsor's names here ☞

Mr. Weaver introduced the following bill; which was referred to the Committee on _____

A BILL

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Wood Utilization Act of 1979".

SEC. 2. For purposes of (1) developing, improving and promoting for rapid and widespread use commercially viable and economically feasible methods of increasing utilization of wood products and wood energy resulting from timber harvesting, forest protection and management, and the manufacture of wood products; (2) reducing the hazard of forest wildfires; and the adverse effects on air quality of burning wood waste residues, and enhancing the long-term productivity of forest resources in each region and for the Nation as a whole; and (3) assisting in meeting growing demands for wood products by encouraging the development of markets for underutilized forest resources, there is hereby established a Wood Utilization Program.

SEC. 3. (a) In order to assist persons, including any public, private, or cooperative organization, in the purchase of wood energy and wood utilization equipment and the construction of wood energy and wood utilization facilities, the Secretary is authorized--

(1) to make loans directly to such persons for 80 per centum of the cost of the purchase of wood energy and wood utilization equipment or construction of wood energy and wood utilization facilities;

(2) to guarantee payment of 90 per centum of the principal of loans made by private lenders to such persons for the purchase of wood energy and wood utilization equipment and the construction of wood energy and wood utilization facilities;

(3) to consolidate, sell, or otherwise dispose of wood products, to persons receiving direct loans and loan guarantees under this section and to other persons operating wood energy and utilization facilities in accordance with subsection (e); and

(4) to issue such regulations, enter into such contracts and cooperative agreements, and take such other action as may be necessary to carry out this section.

(b) No loan may be made or guaranteed under this section unless an application has been submitted to and approved by the Secretary. Such application shall be submitted in such form and according to such procedures as the Secretary may require by regulation. Such application shall contain--

(1) assurances by the applicant that any loan made or guaranteed under this section shall be used for the purchase of wood energy or wood utilization equipment or construction of wood energy or wood utilization facilities;

(2) information concerning the total cost of the purchase of equipment or construction of the facility for which such loan is sought, estimates of the operating costs and income to be derived from the operation of such equipment or facility, and any other financial information the Secretary may require; and

(3) such other information or assurances as the Secretary may require.

The Secretary shall approve or disapprove any application within ninety days after receiving such application. If the Secretary disapproves an application, he shall make the reasons for such disapproval available to the applicant. Any application disapproved under this subsection may be amended and, when resubmitted, shall be considered as an original application.

(c)(1) The interest rate on direct loans made under this section shall be determined by the Secretary, except that such rate shall not exceed the current average market yield on outstanding marketable obligations of the United States of comparable maturities plus 1 per centum. Such direct loans

shall be made according to such other terms and conditions as the Secretary determines by regulation as sufficient to protect the financial interests of the United States.

(2) A loan may be guaranteed under this section only if--

(A) such loan is for a term not in excess of twenty years;

(B) the Secretary determines that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to such loan are reasonable and meet such standards as the Secretary determines by regulation are sufficient to protect the financial interests of the United States, taking into account the range of interest rates prevailing in the private market for other loans guaranteed by the United States;

(C) the Secretary determines that the applicant is unable without a guarantee under this section to obtain sufficient credit elsewhere to finance the (purchase of equipment or) construction of the facility for which such loan is sought at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar periods of time;

(D) the applicant agrees to keep such records and afford such access thereto, and make such reports, in such form, at such times, and containing such information, as the Secretary may require by regulation; and

(E) such other conditions as the Secretary deems appropriate to achieve the purposes of this section and

to protect the financial interests of the United States are met.

(d)(1) For the period beginning on October 1, 1980, and ending on September 30, 1982, the cumulative total of the principal of loans outstanding at any time guaranteed under this section shall not exceed $500,000,000.

(2) For the period beginning October 1, 1980, and ending September 30, 1982, the cumulative total of the amount of direct loans made under this section shall not exceed $200,000,000.

(3) No new loan may be made or guaranteed under this section after September 30, 1981.

(e)(1) In order to assure that persons receiving direct loans or loan guarantees under this section and other persons operating equipment or facilities for the utilization of wood products or production of wood energy have a dependable supply of wood products, the Secretary is authorized to enter into sales contracts, not to exceed ten years, with such persons to sell annually to such persons a specified quantity of wood products upon specified terms of delivery and price. For purposes of complying with contracts entered into under this paragraph, the Secretary may supply wood products from other Federal, State, and other governmental agencies, public or private institutions, universities, and organizations, business entities, and individuals in the United States.

(2) The Secretary shall make available such amounts of wood products as may be necessary to meet obligations under contracts entered into under this subsection

(3) In carrying out this section, the Secretary may use the funds available for use by, and the facilities and services of, the Commodity Credit Corporation or any other agency in the Department of Agriculture.

SEC. 4. The Secretary shall require, at levels appropriate to opportunities to remove for utilization, the removal of wood products by the purchaser of National Forest timber sales or other persons to the extent such removal will enhance and will not harm the long-term productivity of forest resources, when in the judgment of the Secretary these actions will further the purposes of this Act: Provided, however, That nothing contained in this section shall abrogate or modify the slash disposal provisions of existing contracts for the sale of National Forest timber except to the extent such changes are mutually agreed to by the parties to such contracts.

SEC. 5. The Secretary is required to sell, consolidate for sale, or otherwise dispose of wood products and may acquire wood products from other Federal, State, and other governmental agencies, public or private institutions, universities, organizations, business entities, and individuals for sale, consolidation or other disposal when, in the judgment of the Secretary, these actions will further the purposes of this Act: Provided, That priority to purchase or otherwise obtain wood products for energy production shall be given first to public bodies or cooperatives.

SEC. 6. The Secretary shall make grants for the establishment and operation of pilot projects and demonstration programs which will further the purposes of this Act to State and other governmental agencies, public and private institutions, universities, business entities, and individuals: Provided, That pilot projects funded under this subsection shall provide that non-Federal cooperators must contribute at least 50 per centum of the costs of wood energy and wood utilization equipment and facilities used in the pilot project:

Provided, further, That the Secretary is authorized to and may transfer and vest title to wood energy and wood utilization equipment and facilities acquired in connection with the pilot project to the recipient without further obligation to the government, or on such other terms and conditions as deemed appropriate.

SEC. 7. The Secretary shall make brief annual reports to the Congress on the Wood Utilization Program. The report shall be submitted with the reports required in section 8(c) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (90 Stat. 2949, as amended; (16 U.S.C. 1600)).

SEC. 8. The Secretary shall survey and analyze the present status of wood utilization and project the volume of wood waste residue for public and private timberlands. These surveys shall include but not be limited to the environmental consequences of increased utilization from timber harvests upon the forest resources, including the effects on nutrient flow and soil productivity, fish and wildlife and watershed protection. Surveys conducted pursuant to this section shall be coordinated with the comprehensive surveys authorized by section 3(b) of the Forest and Rangeland Renewable Resource Research Act of 1978 (92 Stat. 353; 16 U.S.C. 1641) and shall be conducted on a regional basis.

SEC. 9. The Secretary shall ensure that reports and surveys required by this Act are used in land management plans prepared pursuant to section 6 of the National Forest Management Act and the State Forest Resource Program prepared pursuant to section 9 of the Cooperative Forestry Assistance Act.

SEC. 10. Nothing in this Act shall be construed to repeal or amend the provisions of the National Forest Management Act or the Multiple Use Sustained Yield Act. The Administration of this Act shall be consistent with the administration of the National Forest Management Act and the Multiple Use Sustained Yield Act.

SEC. 11. The Secretary shall issue such regulations as the Secretary deems necessary to implement the provisions of this Act. These regulations shall include but not be limited to guidelines and standards which shall ensure that:

(1) stump removal on slopes does not accelerate erosion or adversely affect water conditions or fish or wildlife habitat;

(2) wood products critical to nutrient flow are conserved and maintained; and

(3) adequate woody debris, including snags and down logs, is retained as protective cores, feeding and lookout sites, food sources and storage, and nests and dens for wildlife habitat.

These regulations shall be consistent with the regulations implementing the National Forest Management Act and the Multiple Use Sustained Yield Act.

SEC. 12. For purposes of this Act--

(1) "wood energy facility" means any facility which produces forest products used for the production of energy or produces energy from forest products;

(2) "wood utilization equipment" means any equipment or vehicle used in timber harvesting, forest protection and management, or the manufacture of wood products;

(3) "wood energy equipment" means any equipment or vehicle used in timber harvesting, forest protection and management, or the manufacture of wood products for the production of energy;

(4) "wood products" means wood, trees, parts of trees, wood waste residue, slash, and other underutilized material or dead and dying timber; and

(5) "construction" shall include costs of construction and may include initial operation, start-up, necessary equipping and purchase of a completed facility.

SEC. 13. There is hereby authorized to be annually appropriated for each of the five fiscal years beginning with fiscal year 1981 the sum of $7,500,000 for purposes of administering this Act. Such sums shall be in addition to those provided under other provisions of law and shall remain available until expended.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Friday, September 14, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: National Alcohol Fuel and Farm Commodity Production Act of 1979

Bill Nos. H.R. 3905

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 o'clock, in Room 1301.

The following Members were present:

Mr. Foley	Mr. Stenholm	Mr. Sebelius
Mr. Jones (Tenn.)	Mr.	Mr. Heckler
Mr. Mathis	Mr.	Mr. Kelly
Mr. Brown	Mr.	Mr. Grassley
Mr. Weaver	Mr.	Mr. Hagedorn
Mr. Baldus	Mr.	Mr. Marlenee
Mr. Harkin	Mr.	Mr. Hopkins
Mr. Bedell	Mr.	Mr. Thomas
Mr. English	Mr.	Mr.
Mr. Panetta	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Coelho	Mr.	Mr.
Mr. Daschle	Mr.	
Mr. Anthony	Mr.	

Staff present:

Fowler C. West, Staff Director
John Hogan, Counsel
Bob Franks, Associate Counsel
Gary L. Norton, Assistant Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant

Witnesses:

None

Statements Filed:

None

Friday, September 14, 1979
Full Committee
Business Meeting
National Alcohol Fuel and Farm
Commodity Production Act of 1979
H.R. 3905

Action Taken:

-- By unanimous voice vote Panetta amendment on balancing distribution of loans agreed to.

-- Without objection Mathis amendment revised.

-- Foley report language regarding Mathis amendment agreed to.

-- Without objection Stenholm amendment to Mathis amendment adopted.

-- By unanimous voice vote Mathis amendment, as amended, approved.

Chairman Foley called the meeting to order for the purpose of continuing consideration of amendments to the National Alcohol Fuel and Farm Commodity Production Act of 1979, H.R. 3905. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. Jones (Tenn.)
2. Mr. Weaver
3. Mr. Harkin
4. Mr. Bedell
5. Mr. English
6. Mr. Panetta
7. Mr. Huckaby
8. Mr. Glickman
9. Mr. Daschle
10. Mr. Anthony
11. Mr. Stenholm
12. Mr. Kelly
13. Mr. Grassley
14. Mr. Hagedorn
15. Mr. Foley
16. Mr. Skelton
17. Mr. Brown

Seventeen Members having responded a one-third quorum was established pursuant to previous notice under Committee Rules.

Action on the pending Mathis amendment and point of order by Mr. Glickman was deferred without prejudice (see minutes of September 13).

Mr. Panetta offered the following amendment to give consideration to trying to balance the distribution of the loans and loan guarantees across the country:

Friday, September 14, 1979
Full Committee
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National Alcohol Fuel and Farm
Commodity Production Act of 1979
H.R. 3905

On page 9, after line 12, add the following new paragraph--

"(i) The Secretary shall, to the extent practicable, approve such loans and loan guarantees in various regions in the United States.".

Discussion occurred and by a unanimous voice vote the amendment was agreed to.

Mr. Mathis asked unanimous consent to withdraw his pending amendment and to offer in lieu thereof the attached amendment which would restrict the preferential purchase of gasohol to the USDA and require the Secretary to give preference to the usage of gasohol in the purchase of fuel for vehicles owned and operated by the Department.

Discussion occurred on the amendment. Mr. Foley asked that the report contain language that the Secretary be given an escape clause that he is not required to purchase all the gasohol offered if he feels that any evidence exists of lack of good faith bidding or if the bid is rigged. There was no objection.

Mr. Stenholm, in behalf of Mr. Hance, suggested that the words "domestically produced" be inserted before "alcohol" in the third line. Mr. Mathis stated he had no objection and asked unanimous consent that the suggestion be approved. There was no objection. By a unanimous voice vote the Mathis amendment, as amended, was adopted. Staff was directed to obtain figures for inclusion in the report.

Mr. Harkin offered the following amendment to provide for an interest rate on direct loans of 5 percent a year. Discussion occurred on the amendment.

Page 4, strike lines 12 through 19 (sec. (c)(1)) and insert in lieu thereof:

"(c)(1) The interest rate on direct laons made under this section shall be at the rate of five per centum per year.".

During the proceedings one recess was taken at 11:25 a.m. to enable Members to respond to a recorded vote on the House Floor. At 11:45 a.m. the meeting was adjourned to reconvene at 10:00 a.m. on Tuesday, September 18, at which time the pending business will be continued consideration of the pending Harkin amendment.

Glenda Temple

AMENDMENT TO H.R. 3095

Offered by Mr. Mathis

On page 15, immediately after line 10, add the following new sections

DEFINITION

Sec. 8 For purposes of this Act, the term "gasohol" means a motor fuel consisting of not more than 90 per centum gasoline, and not less than 10 per centum alcohol fuel as defined in section 511 of the Rural Development Act of 1972

PREFERENTIAL GASOHOL BULK PURCHASES

Sec. 9.(a) Within six months after the date of enactment of this Act, the Secretary of Agriculture (hereafter referred to as "Secretary") shall prepare and publish in the Federal Register regulations providing that, in seeking suppliers or bidders for the purchase of gasoline for all vehicles under his control, preference shall be given to any such supplier or bidder who offers gasohol in lieu of ordinary gasoline for all or any portion of the needs of the Department of Agriculture: Provided, That the cost of such gasohol shall not exceed 115 per centum of the cost by volume of ordinary motor gasoline.

(b)(1) The Secretary shall, within a reasonable time prior to receiving bids on bulk fuel purchases, solicit from all suppliers or potential suppliers of gasohol and gasoline a statement of intention to bid on all or any portion of such purchases. Such statement of intention to bid shall set forth with particularity such information

as will allow the Secretary to determine the amounts of gasohol that can be provided by the supplier submitting the statement, that the price of such gasohol will not exceed 115 per centum of the prevailing price by volume of bulk purchases of gasoline, and such other information as the Secretary may find necessary or appropriate.

(2) Following receipt and evaluation of the statements of intention to bid described in paragraph (1), the Secretary shall determine and publish a statement detailing what portion of the Department of Agriculture's fuel needs can be met with gasohol. The Secretary shall then set aside such portion to be bid upon by suppliers of gasohol. The balance of the fuel needs of the Department of Agriculture, if any, may be provided for according to the ordinary and customary procedures provided by law or regulation.

(3) In the case of two or more competing suppliers of gasohol, the contract for purchase of gasohol shall be awarded to the lowest bidder, or in the same manner and subject to the same procedures as would govern similar competing suppliers of ordinary gasoline under the same circumstances, except that, if such offers are for less than the total needs of the Department, the award shall be allocated among the two or more competing gasohol suppliers in such manner as will maximize the purchase of gasohol by the Department.

(c) Regulations promulgated pursuant to this section may provide for such exceptions and exemptions as are required due to the lack of availability of gasohol, or significant and specific technical difficulties, such as incompatibility of gasohol with efficient or

or proper motor vehicle operation based upon specific design criteria, or extreme climatic conditions which found to significantly impair the operation of gasohol fueled vehicles.

(d) The Secretary shall make every reasonable effort to maximize awareness of the program established by this Act among suppliers and potential suppliers of gasohol.

RETAIL GASOHOL PURCHASES

Sec. 10 Within six months after the date of enactment of this Act, the Secretary shall prepare and publish in the Federal Register regulations providing that, in seeking suppliers or bidders for the retail purchase of gasoline, preference shall be given to any supplier or bidder who offers gasohol in lieu of ordinary gasoline: Provided, That the retail cost of such gasohol shall not exceed 115 percent of the retail cost by volume of gasoline: Provided Further, That the ratail outlets of such supplier are sufficiently numerous and convenient to meet the fuel supply needs of the Department of Agriculture.

ANNUAL REPORTS

Sec. 11 The Secretary shall submit annually to the Congress an evaluation of the gasohol usage program established by this Act, and any recommendatons with respect to its improvement and possible extension to other Departments of the government.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, September 18, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: National Fuel Alcohol and Farm Commodity Production Act of 1979

Bill Nos. H.R. 3905

The Full ~~(Sub)~~ Committee

met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

Mr.	Foley	Mr.	Whitley	Mr.	Wampler
Mr.	de la Garza	Mr.	Coelho	Mr.	Sebelius
Mr.	Jones (Tenn.)	Mr.	Daschle	Mr.	Findley
Mr.	Brown	Mr.	Hance	Mr.	Madigan
Mr.	Richmond	Mr.	Stenholm	Mr.s	Heckler
Mr.	Nolan	Mr.		Mr.	Jeffords
Mr.	Weaver	Mr.		Mr.	Kelly
Mr.	Baldus	Mr.		Mr.	Grassley
Mr.	Harkin	Mr.		Mr.	Coleman
Mr.	Bedell	Mr.		Mr.	Marlenee
Mr.	English	Mr.		Mr.	Hopkins
Mr.	Fithian	Mr.		Mr.	Thomas
Mr.	Panetta	Mr.		Mr.	
Mr.	Skelton	Mr.		Mr.	
Mr.	Huckaby	Mr.			
Mr.	Glickman	Mr.			

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Kate Garvin, Assistant Counsel
Bob Franks, Associate Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant

Witnesses:

None

Statements Filed:

None

Tuesday, September 18, 1979
Full Committee
Business Meeting
National Fuel Alcohol and Farm
Commodity Production Act of 1979
H.R. 3905

Action Taken:

-- Without objection Harkin amendment on five percent loans reformed.

-- By a voice vote Harkin amendment not agreed to.

-- Bedell amendment adding methanol to definition of alcohol fuel agreed to by unanimous voice vote.

-- By voice vote Bedell amendment to title of bill approved.

-- By unanimous voice vote Bedell amendment deleting interest provision adopted.

-- By a voice vote Kelly amendment requiring applications to be submitted to Secretary of Energy not adopted.

-- By voice vote Heckler amendment including research on agricultural residues and byproducts approved.

-- Without objection Heckler amendment on collection and transportation of residues and byproducts reformed.

-- By voice vote Heckler amendment, as amended, agreed to.

-- By voice vote Kelly amendment deleting provisions of bill relating to sales of forest products, wood waste residues, etc. to alcohol fuel plants not approved.

-- Glickman motion limiting all debate on amendments approved by voice vote.

-- Bedell substitute amendment to Marlenee amendment agreed to by a show of hands vote of 14 yeas-4 nays.

-- Marlenee amendment not approved by show of hands vote of 8 yeas-11 nays.

-- By voice vote Kelly amendment deleting additional funding for research grants not adopted.

-- By roll call vote of 36 yeas-1 nay, H.R. 3905, as amended, ordered reported to the House in the presence of a quorum.

Tuesday, September 18, 1979
Full Committee
Business Meeting
National Fuel Alcohol and Farm
Commodity Production Act of 1979
H.R. 3905

Chairman Foley called the meeting to order for the purpose of continuing consideration of H.R. 3905, the National Fuel Alcohol and Farm Commodity Production Act of 1979. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. Baldus
3. Mr. Bedell
4. Mr. English
5. Mr. Fithian
6. Mr. Huckaby
7. Mr. Glickman
8. Mr. Daschle
9. Mr. Sebelius
10. Mr. Grassley
11. Mr. Foley
12. Mr. Jones (Tenn.)
13. Mr. Brown
14. Mr. Harkin
15. Mr. Skelton
16. Mr. Whitley
17. Mr. Coelho
18. Mr. Hance
19. Mr. Stenholm
20. Mr. Marlenee
21. Mr. Hopkins
22. Mr. Panetta
23. Mr. Wampler
24. Mr. Jeffords
25. Mr. Coleman
26. Mr. Thomas

Twenty-six Members having responded a quorum was established.

At the close of the last meeting the pending business was consideration of an amendment by Mr. Harkin. Mr. Harkin asked unanimous consent to change his amendment to make it conform to the new Committee Print (copy attached). There was no objection and the revised Harkin amendment follows:

> On page 4, line 19, strike out the first sentence and insert in lieu thereof: "(c)(1) The interest rate on direct loans made under this section shall be at the rate of five per centum per year.".

Discussion occurred on the amendment. Mr. Bedell moved the previous question and without objection the previous question was ordered. By a voice vote the Harkin amendment was not agreed to. Mr. Harkin requested a recorded vote and one Member (an insufficient number) voted to sustain the request.

Mr. Bedell offered the following technical amendment to include methanol in the definition of alcohol fuel.

> Page 10, line 9, immediately preceding the word "ethanol" insert the words "methanol and".

Tuesday, September 18, 1979
Full Committee
Business Meeting
National Fuel Alcohol and Farm
Commodity Production Act of 1979
H.R. 3905

Discussion occurred and by a unanimous voice vote the amendment was agreed to.

Mr. Bedell offered the attached amendment to the title of the bill. By a voice vote the amendment was agreed to.

Mr. Bedell offered the following amendment because normal limitations deal with principal on loans outstanding:

> Page 7, lines 5, 12, and 13 strike out "and interest on", and on line 13 in lieu thereof insert "of".

Discussion occurred and by a unanimous voice vote the Bedell amendment was agreed to.

Mr. Kelly offered the attached amendment to require that before any money is loaned or guaranteed that the application would be submitted to the Secretary of Energy to pass on the technology to be used. Discussion occurred, and by a voice vote the amendment was not agreed to. Mr. Kelly requested a recorded vote and three Members (an insufficient number) voted to sustain the request.

Mrs. Heckler offered two amendments (see attached) which were considered separately. The first amendment allows research of gasohol to include research on agricultural residues and by-products. Discussion occurred and by a voice vote the Heckler amendment was adopted.

The second amendment by Mrs. Heckler dealt with collecting and transporting of waste residues and byproducts. Discussion occurred. Chairman Foley suggested that the last line "and distribution of alcohol produced" be deleted. Without objection the Heckler amendment was reformed. By a voice vote the Heckler amendment, as amended, was approved.

Mr. de la Garza introduced to the Committee Dr. Gerald H. Judson, Director-General for Agriculture, Commission of the European Communities. Dr. Hudson was greeted by the Members of the Committee.

Mr. Kelly offered an amendment to delete those provisions of the bill which authorize the Secretary to enter into contracts to sell forest products, wood waste residues, and agricultural commodities to persons operating alcohol fuel plants. A copy of the amendment is attached.

Discussion occurred and by a voice vote the Kelly amendment was not approved.

Mr. Glickman moved that all debate on amendments to the bill end in five minutes and by a voice vote the motion was agreed to.

Mr. Marlenee offered the attached amendment to delete the provision mandating government sales. Discussion occurred.

Mr. Bedell offered a substitute amendment by inserting on page 13, line 3, immediately after "Secretary" the phrase "for the purpose of alcohols and alcohol fuel production". Discussion continued.

By a show of hands vote of 14 yeas-4 nays the Bedell substitute amendment was approved. By a show of hands vote of 8 yeas-11 nays the Marlenee amendment, as amended, was not agreed to. Mr. Marlenee requested a recorded vote and three Members (an insufficient number) voted to sustain the request.

Mr. Kelly offered an amendment (copy attached) to delete the additional funding for research grants. Discussion occurred and by a voice vote the Kelly amendment was not approved.

Mr. Bedell moved that H.R. 3905, as amended, be ordered favorably reported to the House. Mr. Kelly requested a recorded vote and 14 Members voted to support the request. The vote follows:

Tuesday, September 18, 1979
Full Committee
Business Meeting
National Fuel Alcohol and Farm
Commodity Production Act of 1979
H.R. 3905

Y E A S

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Nolan
4. Mr. Weaver
5. Mr. Baldus
6. Mr. Bedell
7. Mr. English
8. Mr. Fithian
9. Mr. Panetta
10. Mr. Skelton
11. Mr. Huckaby
12. Mr. Glickman
13. Mr. Coelho
14. Mr. Daschle
15. Mr. Stenholm
16. Mr. Sebelius
17. Mr. Findley
18. Mr. Madigan (proxy to Mr. Findley)
19. Mrs. Heckler (proxy to Mr. Findley)
20. Mr. Coleman
21. Mr. Marlenee
22. Mr. Foley
23. Mr. Jones (N.C.)(proxy to Mr. Foley)
24. Mr. Bowen (proxy to Mr. Bedell)
25. Mr. Richmond
26. Mr. Harkin (proxy to Mr. Bedell)
27. Mr. Akaka (proxy to Mr. Bedell)
28. Mr. Anthony (proxy to Mr. Bedell)
29. Mr. Wampler (proxy to Mr. Sebelius)
30. Mr. Symms (proxy to Mr. Sebelius)
31. Mr. Johnson (proxy to Mr. Sebelius)
32. Mr. Jeffords (proxy to Mr. Sebelius)
33. Mr. Grassley
34. Mr. Hagedorn (proxy to Mr. Sebelius)
35. Mr. Hopkins
36. Mr. Thomas

N A Y S

1. Mr. Kelly

Thus, by a roll call vote of 36 yeas-1 nay (24 Members present and voting) H.R. 3905, amended, ordered reported to the House with the recommendation that it do pass in the presence of a quorum. Staff was given permission to make necessary technical and clerical changes. Without objection Members given until noon, Wednesday, September 26, to submit additional views.

During the proceedings recesses were taken at 10:10 a.m., 10:35 a.m., and 11:50 a.m. to enable Members to respond to recorded votes on the House floor. At 12:35 p.m. the meeting was adjourned to reconvene, subject to the call of the Chair.

Glenda Temple

Glenda Temple

[COMMITTEE PRINT 2]

SEPTEMBER 14, 1979

[Incorporating amendments adopted through September 14, 1979]

96TH CONGRESS
1ST SESSION

H. R. 3905

To authorize the Secretary of Agriculture to guarantee loans for the construction and operation of *alcohols and* alcohol fuel plants, to provide for the sale of agricultural commodities for the operation of such plants, to amend the Agricultural Act of 1949 with respect to the set-aside program for feed grains, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 3, 1979

Mr. BEDELL introduced the following bill; which was referred to the Committee on Agriculture

[Omit the part struck through and insert the part printed in italic]

A BILL

To authorize the Secretary of Agriculture to guarantee loans for the construction and operation of *alcohols and* alcohol fuel plants, to provide for the sale of agricultural commodities for the operation of such plants, to amend the Agricultural Act of 1949 with respect to the set-aside program for feed grains, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National *Alcohols and* Alcohol Fuel and Farm Commodity Production Act of 1979".

ALCOHOLS AND ALCOHOL FUEL PLANT LOANS AND LOAN GUARANTEES

SEC. 2. Title V of the Rural Development Act of 1972 is amended by adding at the end thereof the following new section:

"SEC. 511. *ALCOHOLS AND* ALCOHOL FUEL PLANT LOANS AND LOAN GUARANTEES.—(a) In order to assist persons, including any public, private, or cooperative organization, in the construction ~~and maintenance~~ of plants for the production of *alcohols and* alcohol fuel derived from forest products, ~~wood waste residues,~~ *wood, agricultural or other waste residues and byproducts,* agricultural commodities, and other renewable resources and for purposes of stabilizing and expanding the market for such forest products, ~~wood waste residues,~~ *wood, agricultural or other waste residues and byproducts,* agricultural commodities, and other renewable resources and expanding the Nation's supply of *alcohols and* alcohol fuels, the Secretary is authorized—

"(1) to make loans *not to exceed $1,000,000* directly to such persons for 90 per centum of the cost of the construction ~~and operation~~ of *alcohols and* alcohol

fuel plants having an annual production capacity of less than one million gallons of *alcohols and* alcohol fuel;

"(2) to guarantee payment of ~~75 per centum~~ *90 per centum* of the principal of and interest on loans made by private lenders to such persons for the construction ~~and operation~~ of *alcohols and* alcohol fuel plants;

"(3) to sell forest products, ~~wood waste residues,~~ *wood, agricultural or other waste residues and byproducts,* and agricultural commodities to persons receiving direct loans and loan guarantees under this section and to other persons operating *alcohols and* alcohol fuel plants in accordance with subsection (e); and

"(4) to make such regulations, enter into such contracts, and take such other actions as may be necessary to carry out this section.

"(b) No loan may be made or guaranteed under this section unless an application therefor has been submitted to and approved by the Secretary. Such application shall be submitted in such form and according to such procedures as the Secretary may require by regulation. Such application shall contain—

"(1) assurances by the applicant that any loan made or guaranteed under this section shall be used for the construction ~~and operation~~ of plants for the produc-

tion of *alcohols and* alcohol fuel from forest products, ~~wood waste residues,~~ *wood, agricultural or other waste residues and byproducts,* agricultural commodities, and other renewable resources;

"(2) information concerning the total cost of the construction of the plant for which such loan is sought, estimates of the operating costs and income to be derived from the operation of such plant, and any other financial information the Secretary may require; and

"(3) such other information or assurances as the Secretary may require.

The Secretary shall approve or disapprove any application within ninety days after receiving such application. If the Secretary disapproves an application, he shall make the reasons for such disapproval available to the applicant. Any application disapproved under this subsection may be amended and, when resubmitted, shall be considered as an original application.

"(c)(1) The interest rate on direct loans made under this section shall be determined by the Secretary, except that such rate shall not exceed the current average market yield on outstanding marketable obligations of the United States of comparable maturities plus 1 per centum. Such direct loans shall be made according to such other terms and conditions as the Secretary determines by regulation as sufficient to

protect the financial interests of the United States. *No direct loan may be made under this section unless the applicant demonstrates to the satisfaction of the Secretary that under the manufacturing process used by the applicant the protein content of any agricultural feedstock utilized in the production of alcohols and alcohol fuel manufactured by such applicant will be extracted to the extent practicable for utilization as human or animal food.*

"(2) A loan may be guaranteed under this section only if—

"(A) such loan is for a term not in excess of twenty years;

"(B) the Secretary determines that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to such loan are reasonable and meet such standards as the Secretary determines by regulation as sufficient to protect the financial interests of the United States, taking into account the range of interest rates prevailing in the private market for other loans guaranteed by the United States;

"(C) the Secretary determines that the applicant is unable without a guarantee under this section to obtain sufficient credit elsewhere to finance the construction ~~and operation~~ of the plant for which such

loan is sought at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar periods of time;

~~"(D) the applicant for such loan guarantee demonstrates to the satisfaction of the Secretary that such applicant has taken steps to ensure that the total energy content of the alcohol fuel manufactured by such applicant will exceed the total energy input from petroleum or petroleum-based products, other than energy derived from co-generation, used directly in the manufacture of such alcohol fuel;~~

"~~(E)~~*(D)* the applicant agrees to keep such records and afford such access thereto, and make such reports, in such form, at such times, and containing such information, as the Secretary may require by regulation;

"(E) the applicant demonstrates to the satisfaction of the Secretary that under the manufacturing process used by the applicant the protein content of any agricultural feed stock utilized in the production of alcohols and alcohol fuel manufactured by such applicant will be extracted to the extent practicable for utilization as human or animal food; and

"(F) such other conditions as the Secretary deems appropriate to achieve the purposes of this section and

to protect the financial interests of the United States are met.

"(d)(1) For the period beginning on October 1, 1979, and ending on September 30, 1981, the cumulative total of the principal of and interest on loans outstanding at any time guaranteed under this section shall not exceed $600,000,000. At least 25 per centum of the total amount of the principal of and interest on loans guaranteed under this section during such period shall be principal and interest on loans for plants for which the construction costs are less than $5,000,000 for each such plant.

"(2) For the period beginning on October 1, 1979, and ending on September 30, 1981, the cumulative total of the amount of direct loans made under this section shall not exceed $200,000,000.

"(3) No new loan may be made or guaranteed under this section after September 30, 1981.

"(e)(1) In order to assure that persons receiving direct loans or loan guarantees under this section and other persons operating plants for the production of *alcohols and* alcohol fuel have a dependable supply of forest products, ~~wood waste residues~~, *wood, agricultural or other waste residues and by-products,* and agricultural commodities at a stable price for use in such plants, the Secretary is authorized to enter into sales contracts, not exceeding five years, with such persons

to sell annually to such persons a specified quantity of forest products, ~~wood waste residues~~, *wood, agricultural or other waste residues and byproducts,* and agricultural commodities upon specified terms of delivery at a price upon which the Secretary and such persons mutually agree. For purposes of complying with contracts entered into under this paragraph, the Secretary may supply agricultural commodities (A) from Commodity Credit Corporation stocks, (B) from agricultural commodities purchased by the Secretary from producers participating in the producer storage program under section 110, or (C) from agricultural commodities purchased by the Secretary from domestic producers of such agricultural commodities.

"(2) Any contract for the sale of any forest products, ~~wood waste residues~~, *wood, agricultural or other waste residues and byproducts,* and agricultural commodities to any buyer under this subsection shall provide that such forest products, ~~wood waste residues~~, *wood, agricultural or other waste residues and byproducts,* and agricultural commodities shall be used for the production of *alcohols and* alcohol fuel.

"(3) The Secretary shall make available such amounts of forest products, ~~wood waste residues~~, *wood, agricultural or other waste residues and byproducts,* and agricultural commodities as may be necessary to meet obligations under contracts entered into under this subsection.

"(f) Within six months after the end of each fiscal year, the Secretary shall submit to the Congress—

"(1) a report on—

"(A) the administration of this section with respect to direct loans and loan guarantees under this section, including information regarding the approval and disapproval of applications for such direct loans and loan guarantees, and

"(B) the performance of contracts entered into under this section to supply forest products, ~~wood waste residues~~, *wood, agricultural or other waste residues and byproducts,* and agricultural commodities for purposes of *alcohols and* alcohol fuel production during such fiscal year, including information regarding the quantities of Commodity Credit Corporation stocks used in fulfilling such contracts;

"(2) an assessment of the production capacity and the needs of the *alcohols and* alcohol fuel industry in the United States, including information with respect to actions taken by the Secretary to meet such needs; and

"(3) recommendations for such legislative changes as he finds necessary or appropriate with respect to the operation of this section.

"(g) In carrying out this section, the Secretary may use the funds available for use by, and the facilities and services of, the Commodity Credit Corporation or any other agency in the Department of Agriculture.

"(h) For purposes of this section—

"(1) the term 'alcohols' means methanol or ethanol produced from renewable resources for use as a petrochemical or petroleum substitute;

"(~~1~~)*(2)* the term 'alcohol fuel' means ethanol which is produced from renewable resources and which is suitable for use by itself or in combination with other fuels as a motor fuel;

"(~~2~~)*(3)* the term 'agricultural commodities' includes barley, butter and butter oil, cheese and cheese whey, corn, cotton, dry beans, flaxseed, grain sorghums, nonfat dry milk, oats, peanuts, potatoes, rice, rye, soybeans, sugar beets, sugarcane, and wheat; and

"(~~3~~)*(4)* the term 'construction' shall include the conversion or equipping of an existing facility for use as a plant for the production of alcohol fuel, *and may include initial operation, start-up, necessary equipping, and purchase of a completed facility for any loan or loan guarantee made pursuant to this Act.*".

"(i) No loan may be made or guaranteed under this section unless the Secretary finds that the applicant for such

loan has established to the Secretary's satisfaction (1) that the energy contained in the alcohols and alcohol fuel produced will exceed the energy contained in any petroleum, natural gas, or petroleum-based products consumed in the production of such alcohols or alcohol fuel: Provided, That included in the determination of such finding shall, among other things, be a calculation of the amount of petroleum, natural gas, or petroleum-based products used in the processing and distilling of the feedstock and preparation of the alcohols and alcohol fuel for ultimate use, and such other elements in measuring the amount of energy consumed in the production of such alcohol or alcohol fuel as the Secretary deems appropriate to achieve the purposes of this section: Provided further, That the Secretary, in making his finding of energy consumed in the production of alcohols and alcohol fuel, shall allow energy credits for the production of saleable and usable products or by-products which the applicant will in fact realize in the production of such alcohols and alcohol fuel; and (2) that the applicant meets such other conditions relating to fuel efficiency as the Secretary deems appropriate to achieve the purposes of this section.

"(j) The Secretary shall, to the extent practicable, approve direct loans and loan guarantees under this section in various regions in the United States."

PRICE SUPPORT PROGRAM FOR THE 1980 AND 1981 CROPS OF FEED GRAINS

SEC. 3. (a) The first sentence of section 105A(f)(1) of the Agricultural Act of 1949 is amended by inserting before the period the following: "and the need to provide feed grains for purposes of fulfilling obligations under section 511(e) of the Rural Development Act of 1972".

(b) Section 105A(f)(5) of the Agricultural Act of 1949 is amended to read as follows:

"(5) If the operator of a farm desires to participate in the program under this subsection, the operator shall file an agreement to do so no later than such date as the Secretary may prescribe.".

(c) Section 105A of the Agricultural Act of 1949 is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

"(h) Loans, purchases, and payments under this section shall be made available to producers on the farm only if the producers enter into an agreement with the Secretary in which such producers agree—

"(1) if a set-aside of cropland is in effect under subsection (f)(1), to set aside and devote to soil conserving uses an acreage on the farm equal to the

number of acres determined by the Secretary under such subsection; and

"(2) to sell to the Secretary after harvest such amounts as the Secretary may specify, but not more than 10 per centum, of any crop of feed grains produced on such farm in any crop year at not less than the established price for such crop for such crop year. The Secretary may, by mutual agreement with the producers, terminate or modify any agreement entered into pursuant to this subsection if the Secretary determines that such action is necessary because of an emergency created by drought or other disaster, or in order to prevent or alleviate a shortage in the supply of agricultural commodities.".

CONFORMING AMENDMENTS

SEC. 4. (a) Section 110(b) of the Agricultural Act of 1949 (7 U.S.C. 1445e(b)) is amended by striking out "and (6)" and inserting in lieu thereof "(6)" and by inserting before the period the following new clause: "; and (7) conditions under which the Secretary may require agreements by producers of agricultural commodities to sell agricultural commodities stored under the program to the Secretary in such amounts as the Secretary may require for purposes of contracts under section 511(e) of the Rural Development Act of 1972 (A) at not less than the established price in effect for such agricultural commodity for the crop year in which such

agricultural commodity was produced, or (B) if no such established price is in effect for such agricultural commodity for the crop year in which such agricultural commodity was produced, at a price upon which the Secretary and such producers mutually agree.".

(b) Section 110(d)(2) of the Agricultural Act of 1949 (7 U.S.C. 1445e(d)(2)) is amended by striking out "and (C)" and inserting in lieu thereof ", (C)" and by inserting before the period the following new subclause: ", and (D) section 511(e) of the Rural Development Act of 1972".

(c) Section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427) is amended by inserting "(a)" after "SEC. 407." and by adding at the end of such section the following new subsection:

"(b) Notwithstanding subsection (a), for purposes of meeting obligations of the Secretary under contracts entered into under section 511(e) of the Rural Development Act of 1972, the Commodity Credit Corporation may sell any agricultural commodity owned or controlled by it at the price upon which the Secretary and the buyer of such agricultural commodities mutually agree.".

STUDY ON USES AND MARKETING OF BYPRODUCTS RESULTING FROM PRODUCTION OF ALCOHOL FUEL

SEC. 5. Not later than eighteen months after the date of the enactment of this Act, the Secretary of Agriculture shall

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complete a study of the existing and potential uses and marketing of the byproducts resulting from the production of *alcohols and* alcohol fuel, with special emphasis on the uses of such byproducts as a source of food for human consumption, and shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a written report which contains (1) the findings of such study, and (2) if appropriate, a market promotion program identifying the foreign markets for such byproducts for human consumption, including recommendations for expanding such foreign markets. In conducting such study, the Secretary of Agriculture shall consult with and, wherever practicable, use the resources of the National Alcohol Fuels Commission.

RESEARCH

SEC. 6. (a) Section 1419 of the Food and Agriculture Act of 1977 (7 U.S.C. 3154) is amended—

(1) by striking out "(2) alcohol made from agricultural commodities and forest products as a substitute for alcohol made from petroleum products," and insert in lieu thereof the following: "(2) alcohol made from agricultural commodities and forest products as a substitute for, or for blending with, gasoline, diesel fuel, or alcohol made from petroleum products,";

(2) by inserting after the first sentence the following: "At least 25 per centum of the amount appropriated in any fiscal year for purposes of carrying out this section shall be made available for grants under this section for the purpose of conducting research relating to the production of *alcohols and* alcohol fuels by identifying and developing agricultural commodities, including alfalfa, sweet sorghum, black locust, and cheese whey, which may be suitable for use in alcohol fuel production. At least 25 per centum of the amount appropriated in any fiscal year for purposes of carrying out this section shall be made available for grants under this section for the purpose of conducting research relating to the development of technologies for increasing the energy-efficiency and commercial feasibility of *alcohols and* alcohol fuel production, including processes of cellulose conversion and cell membrane technology."; and

(3) in the proviso—

(A) by striking out "$24,000,000" and inserting in lieu thereof "$50,000,000";

(B) by striking out "five-year period" and inserting in lieu thereof "three-year period"; and

(C) by striking out "beginning on October 1, 1977" and inserting in lieu thereof "beginning on October 1, 1979".

(b)(1) The Secretary of Agriculture shall establish ten alcohol fuel production model demonstration facilities for purposes of demonstrating the most recent technologies available for producing alcohol fuel on farms. Such facilities and information regarding the operation of such facilities shall be made available for public inspection and, to the extent practicable, such facilities shall be established in various regions in the United States.

(2) For purposes of carrying out paragraph (1), there are authorized to be appropriated not more than $5,000,000 for the fiscal year ending on September 30, 1980, and $5,000,000 for the fiscal year ending on September 30, 1981.

LIMITATION ON LOAN GUARANTEE AUTHORITY

SEC. 7. The cumulative total of the principal of all loans guaranteed under all laws administered by the Secretary of Agriculture, the Commodity Credit Corporation, and the Farmers Home Administration on or after the date of enactment of this section for the production of alcohol from forest products, wood agricultural or other waste residues and by-products, agricultural commodities, and other renewable resources shall not at any time exceed $1,000,000,000 for the

period beginning on October 1, 1979, and ending on September 30, 1981.

RENEWABLE ENERGY RESOURCES EDUCATIONAL AND TECHNICAL ASSISTANCE

SEC. 8. Subtitle B of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by adding at the end thereof the following new section:

"RENEWABLE ENERGY RESOURCES EDUCATIONAL AND TECHNICAL ASSISTANCE PROGRAMS

"SEC. 1413A. (a) The Secretary, in cooperation with State directors of cooperative extension, administrators of extension for land-grant colleges and universities and other Federal Departments and agencies shall provide educational programs for producers of agricultural commodities, forest products, wood waste residues, agricultural residues, and other renewable resources to—

"(1) inform such producers of the feasibility of using such resources as energy resources,

"(2) disseminate to such producers information regarding the results of research on the use of such resources as energy resources,

"(3) inform such producers of the best available technology for the use of such resources as energy resources, and

"(4) provide technical assistance to such producers to improve their ability to efficiently use such resources as energy resources.

"(b) In implementing this section, all appropriate educational methods may be used including meetings, short courses, workshops, tours, demonstrations, publications, news releases, and radio and television programs.

"(c) The State director of cooperative extension and the administrators of extension for land-grant colleges and universities in each State shall jointly develop, by mutual agreement, a single recommended, comprehensive, and coordinated plan which includes every renewable energy resources educational, and technical assistance program. Each State's plan shall be submitted to the Secretary annually. The National Agricultural Research Extension Users Advisory Board established under section 1408 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 shall review and make recommendations to the Secretary pertaining to programs conducted under this section. Each State will submit an annual progress report to the Secretary before January 1 following the fiscal year for which such report is made.

"(d) Funds made available under this section shall be provided to the State director of cooperative extension and the administrators of extension for land-grant colleges and uni-

versities in each State in proportion to the annual production of agricultural commodities, forest products, wood waste residues, agricultural residues, and other renewable resources produced in the State involved.

"(e) There are hereby authorized to be appropriated $10,000,000 for the fiscal year ending September 30, 1980, and $10,000,000 for the fiscal year September 30, 1981 for the purposes of carrying out this section.

"(f) This section will take effect October 1, 1979."

EFFECTIVE DATE PROVISIONS

SEC. ~~7.~~ *9* (a) The amendments made by sections 2 and 4 of this Act shall take effect on October 1, 1979.

(b) The amendments made by section 3 of this Act shall be effective beginning with the 1980 crop of feed grains.

(c) The amendments made by section 6(a) of this Act shall apply with respect to grants made under section 1419 of the Food and Agriculture Act of 1977 (7 U.S.C. 3154), as amended by section 6(a) of this Act, beginning with the fiscal year ending on September 30, 1980.

DEFINITION

SEC. 10. For purposes of this Act, the term "gasohol" means a motor fuel consisting of not more than 90 per centum gasoline, and not less than 10 per centum domestically produced alcohol fuel as defined in section 511 of the Rural Development Act of 1972.

PREFERENTIAL GASOHOL BULK PURCHASES

SEC. 11.(a) Within six months after the date of enactment of this Act, the Secretary of Agriculture (hereafter referred to as the "Secretary") shall prepare and publish in the Federal Register regulations providing that, in seeking suppliers or bidders for the purchase of gasoline for all vehicles under his control, preference shall be given to any such supplier or bidder who offers gasohol in lieu of ordinary gasoline for all or any portion of the needs of the Department of Agriculture: Provided, That the cost of such gasohol shall not exceed 115 per centum of the cost by volume of ordinary motor gasoline.

(b)(1) The Secretary shall, within a reasonable time prior to receiving bids on bulk fuel purchases, solicit from all suppliers or potential suppliers of gasohol and gasoline a statement of intention to bid on all or any portion of such purchases. Such statement of intention to bid shall set forth with particularity such information as will allow the Secretary to determine the amounts of gasohol that can be provided by the supplier submitting the statement, that the price of such gasohol will not exceed 115 per centum of the prevailing price by volume of bulk purchases of gasoline, and such other information as the Secretary may find necessary or appropriate.

(2) Following receipt and evaluation of the statements of intention to bid described in paragraph (1), the Secretary shall determine and publish a statement detailing what portion of the Department of Agriculture's fuel needs can be met with gasohol. The Secretary shall then set aside such portion to be bid upon by suppliers of gasohol. The balance of the fuel needs of the Department of Agriculture, if any, may be provided for according to the ordinary and customary procedures provided by law or regulation.

(3) In the case of two or more competing suppliers of gasohol, the contract for purchase of gasohol shall be awarded to the lowest bidder, or in the same manner and subject to the same procedures as would govern similar competing suppliers of ordinary gasoline under the same circumstances, except that, if such offers are for less than the total needs of the Department, the award shall be allocated among the two or more competing gasohol suppliers in such manner as will maximize the purchase of gasohol by the Department.

(c) Regulations promulgated pursuant to this section may provide for such exceptions and exemptions as are required due to the lack of availability of gasohol, or significant and specific technical difficulties, such as incompatibility of gasohol with efficient or proper motor vehicle operation based upon specific design criteria, or extreme climatic condi-

tions which are found to significantly impair the operation of gasohol-fueled vehicles.

(d) The Secretary shall make every reasonable effort to maximize awareness of the program established by this Act among suppliers and potential suppliers of gasohol.

RETAIL GASOHOL PURCHASES

SEC. 12. Within six months after the date of enactment of this Act, the Secretary shall prepare and publish in the Federal Register regulations providing that, in seeking suppliers or bidders for the retail purchase of gasoline, preference shall be given to any supplier or bidder who offers gasohol in lieu of ordinary gasoline: Provided, That the retail cost of such gasohol shall not exceed 115 per centum of the retail cost by volume of gasoline: Provided further, That the retail outlets of such supplier are sufficiently numerous and convenient to meet the fuel supply needs of the Department of Agriculture.

ANNUAL REPORTS

SEC. 13. The Secretary shall submit annually to the Congress an evaluation of the gasohol usage program established by this Act, and any recommendations with respect to its improvement and possible extension to other Departments of the Government.

TP077

AMENDMENT TO H. R. 3905

OFFERED BY MR. BEDELL

Amend the title so as to read: ''A bill to authorize the Secretary of Agriculture to make loans and to guarantee loans for the construction of alcohols and alcohol fuel plants, to provide for the sale of forest products, wood, agricultural or other waste residues and byproducts, and agricultural commodities for the operation of such plants, to amend the Agricultural Act of 1949 with respect to the price support program for feed grains, and for other purposes.''.

AMENDMENT TO H.R. 3905

Offered by Mr. Kelly

On page 11, following line 24, add a new subsection (k):

"(k) No loan may be made or guaranteed under this section unless the application is submitted to the Department of Energy and the Secretary of Energy certifies to the Secretary, not later than 60 days after submission, that the manufacturing process to be used by the applicant in the production of the alcohol employs technology with a demonstrated capability to produce alcohol of a commercial quality and quantity and that otherwise complies with the requirements of this Act."

AMENDMENT TO H.R. 3905

Offered by Mrs. Heckler

On page 15, line 22, after the word "commodities" insert a comma and the following: "agricultural and other waste residues and by-products,".

On page 16, line 18, immediately following the period insert the following:

"For purposes of carrying out this section funds shall be made available for grants under this section for the purpose of conducting research relating to the development of the most economical and commercially feasible means of collecting and transporting waste residues and by-products for use as feedstocks and distribution of alcohol produced."

AMENDMENT TO THE COMMITTEE PRINT OF H.R. 3905

Offered by Mr. Kelly

On page 3, strike lines 8 through 13.

On page 7, beginning with line 18, strike all through line 25 on page 8.

On page 9, strike lines 9 through 17.

On page 12, beginning with line 1, strike all through line 21 on page 14.

Explanation

This amendment would delete those provisions of the substitute which authorize the Secretary to enter into contracts to sell forest products, wood waste residues, and agricultural commodities to persons operating alcohol fuel plants. Since the changes in the price support provisions of current law in section 3 and the conforming amendments in section 4 are designed to implement the supply contract authority, those provisions are deleted also.

AMENDMENT TO COMMITTEE PRINT H.R. 3905

Offered by Mr. Marlenee

Strike lines 3 through 13, page 13.

Conforming Amendment

Conform the remainder of subsection (h) by deleting "(1)" and "; and" page 13, line 2, and insert a period in lieu of the deleted semicolon.

AMENDMENT TO THE COMMITTEE PRINT OF H.R. 3905

Offered by Mr. Kelly

On page 16, line 18, beginning with the semicolon strike all through line 16 on page 17.

Explanation

This amendment would delete the additional funding for research grants under section 1419 of the Food and Agriculture Act of 1977. It would also delete the authority for 10 alcohol fuel production model demonstration facilities.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, September 19, 1979

(Sub) Committee on Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: To consider National Fuel and Food Relief Act of 1979 and Fuel Stamp Act of 1979

Bill Nos. H.R. 5265, H.R. 5039, H.R. 5237

The Domestic Marketing, Consumer Relations & Nutrition (Sub) Committee met in Open Session at 10:06a.m. o'clock, in Room 1302

The following Members were present:

				Also Present	
Mr.	Richmond	Mrs.	Heckler	Mr.	Jeffords
Mr.	Panetta	Mr.	Grassley	Mr.	
Mr.	Nolan	Mr.		Mr.	
Mr.	Glickman	Mr.		Mr.	
Mr.	Harkin	Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	

Staff present:

John Kramer, Special Counsel
Joe Crapa, Subcommittee Staff Consultant
John Hogan, Counsel
Bob Franks, Associate Counsel
Bernard Brenner, Press Assistant
Anita Brown, Staff Assistant
Mary Jarratt, Staff Assistant
Glenda Knight, Staff Assistant
Eleanor Walsh, Staff Assistant

Witnesses:

1. Honorable Martin O. Sabo, Member of Congress from Minnesota

2. Honorable Peter A. Peyser, Member of Congress from New York

3. Honorable James L. Oberstar, Member of Congress from Minnesota

4. Mr. James R. Janis, Deputy Assistant Secretary for Planning and Evaluation, Department of Energy

   Acc. by: Mr. Norman Thompson, Senior Program Analyst, Office of Planning and Regulatory Program Evaluation, Department of Energy; and

   Mr. Albert H. Linden, Jr., Deputy Administrator of the Office of Energy Information

5. Mr. John Palmer, Deputy Assistant Secretary for Planning and Evaluation, Department of Health, Education, and Welfare

   Acc. by: Mr. Robert Bynum, Deputy Commissioner, Social Security Administration; and

   Mr. John E. Todd, Director of Income Security Policy/ Analysis, Office of Assistant Secretary for Planning and Evaluation

6. Mr. Robert Greenstein, Administrator, Food and Nutrition Services, Department of Agriculture

   Acc. by: Mr. Robert Fersh, Assistant to the Administrator, FNS

   Mr. Bruce Clutter, Acting Director, Federal Operations Division, FNS

7. Mr. David Wilson, Commissioner, Vermont State Department of Welfare, Montpelier, Vermont

Statements Filed:

N O N E

Wednesday, September 19, 1979
Subcommittee on Domestic
Marketing, Consumer Relations
and Nutrition
Public Hearing
To consider National Fuel and Food
Relief Act of 1979 and
Fuel Stamp Act of 1979

Chairman Richmond called the meeting to order at 10:06 a.m. Upon completion of opening statements by Members of the Subcommittee, the witnesses listed on page two of these minutes were recognized for their prepared statements and questioning by the Members as appearing in the record.

Mr. Wilson was introduced by Congressman Jeffords.

During the meeting, one recess was taken at 11:07-11:35 a.m. to enable Members to respond to a rollcall vote on the House Floor.

Chairman Richmond adjourned the hearing at 12:48 p.m. to meet again at 9:00 a.m. on Thursday, September 20.

Eleanor Walsh

Eleanor Walsh

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U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date September 20, 1979

(Sub) Committee Domestic Marketing, Consumer Relations and Nutrition
Meeting: Public Hearing

Subject: "Fuel" Stamp program

Bill Nos. H.R. 5265, H.R. 5039, H.R. 5237

The Domestic Marketing, Consumer Relations & Nutrition (Sub) Committee met in public hearing Session at 9:16 a.m. o'clock, in Room 1302.

The following Members were present:

Mr. Nolan	Mr. Grassley	Mr.
Mr. Glickman	Mrs. Heckler	Mr.
Mr. Harkin	Mr.	Mr.
Mr. Richmond	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	

Staff present:
Glenda Knight, Staff Assistant
Christine Abram, Staff Assistant
Joseph Crapa, Subcommittee Staff Consultant
Marry Jarratt, Staff Consultant
Anita Brown, Staff Assistant
John Kramer, Special Counsel

Witnesses:

1. Mr. Dick Gregory

2. Hon. Maurice D. Hinchey, Chairman, Environmental Conservation Committee, New York State Assembly

3. Mr. Stephen B. Farber, Executive Director, National Governors' Association, Washington, D.C.
   Acc. by: Mr. T. Scott Bunton, Staff Director, Human Resources

4. Mr. Phillip Gartenberg, Executive Deputy Commissioner, New York State Department of Social Services, Albany, New York

5. Mr. Jeff Kirsch, Acting Director, Food Action and Research Center, Washington, D.C.

6. Mr. James Hacking, National Retired Teachers Association/ American Association of Retired Persons, Washington, D.C.

Statements Filed:

September 20, 1979
Domestic Marketing, Consumer Relations
and Nutrition Subc.
Public Hearing
"Fuel" stamp program
H.R. 5265, H.R. 5039, H.R. 5237

Chairman Richmond called the meeting to order at 9:16 a.m. for the purpose of hearing and questioning the witnesses listed on page 2 of these Minutes.

During the proceedings brief recesses were called at 10:05 a.m. and 10:32 a.m. to allow Members to respond to a rollcall vote on the floor of the House.

At 11:29 a.m. the Chairman adjourned the meeting subject to the call of the Chair.

Christine Abram

Christine Abram

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, September 25, 1979

Joint
(Sub) Committee on Forests; Conservation and Credit

Meeting: Business

Subject: Forestry Loan Act

Bill Nos. H.R. 4718

The Forests and Conservation and Credit (Sub) Committee s met in open Session at 2:00 o'clock, in Room 1301.

The following Members were present:

Forests		Conservation and Credit		
Mr.	Weaver	Mr.	Jones (Tenn.)	Mr.
Mr.	Anthony	Mr.	Huckaby	Mr.
Mr.	Huckaby	Mr.	Hance	Mr.
Mr.	Johnson	Mr.	Baldus	Mr.
Mr.		Mr.	Bedell	Mr.
Mr.		Mr.	Daschle	Mr.
Mr.		Mr.	Madigan	Mr.
Mr.		Mr.	Marlenee	Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		
Mr.		Mr.		

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Gary L. Norton, Assistant Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Peggy Thomson, Subcommittee Staff Consultant
Bob Cashdollar, Subcommittee Staff Consultant
Tom Adams, Staff Assistant
Rita DiSimone, Staff Assistant
Wayne Fletcher, Staff Assistant

Witnesses:

None

Statements Filed:

None

Tuesday, September 25, 1979
Joint Subcommittees on Forests and
Conservation and Credit
Business Meeting
Forestry Loan Act
H.R. 4718

Chairman Jones (Tenn.) called the meeting to order. Discussion occurred on how to proceed with the joint markup and the number of members required for a quorum.

Mr. Johnson advised that the House was operating under the five-minute rule and the Subcommittees did not have permission to sit. He did not insist on his point of order.

Discussion occurred on the legislation. Mr. Huckaby began his explanation of the attached substitute amendment and responded to questions.

At 2:40 p.m. the meeting was adjourned to enable members to respond to a recorded vote on the House Floor, to reconvene at 9:00 a.m. on Thursday, September 27, to continue consideration of the Forestry Loan Act of 1979.

Glenda Temple

AMENDMENT IN THE NATURE OF A SUBSTITUTE
BY MR. HUCKABY
TO H.R. 4718

Page 1, line 3, strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Forestry Loan Act of 1979".

Findings and Policy

Sec. 2. The Congress hereby finds and declares that--

(1) adequate supplies of timber and other forest resources are essential to the Nation's well-being;

(2) the Nation's publicly owned forests cannot alone supply needed timber and wood products;

(3) the Nation's capacity to produce timber, wood products, and wood for energy purposes is significantly dependent on nonindustrial private forest lands;

(4) substantial investment is often needed to increase the productivity of forest lands;

(5) long timber rotation periods and the lack of regular periodic returns from forestry investments may discourage owners of nonindustrial private forest lands from managing their timberlands at levels of high productivity;

(6) the availability and cost of capital can be a significant determining factor in a forest landowner's decision as to whether or not to undertake a forest management program;

(7) owners of nonindustrial private forest land frequently are unable to obtain credit at rates and terms sufficiently reasonable to enable them to undertake a forest management program; and,

(8) therefore, it is in the national interest for the Secretary of Agriculture to conduct a pilot program to determine whether loans providing periodic disbursements to owners of nonindustrial private forest land would result in increased productivity of such land; and

(9) it is the intent of Congress that, provided the program is feasible, it should ultimately be placed within the private sector.

Establishment of Program

Sec. 3. (a) In order to encourage owners of nonindustrial private forest land to implement and maintain forest management programs, and thereby increase the production of crops of industrial wood, the Secretary of Agriculture (hereafter in this Act referred to as the "Secretary") is authorized and directed to conduct a pilot program of financial assistance to such owners. The program may include but, shall not be limited to: (1) the insuring and guaranteeing of loans which will provide periodic loan disbursements to eligible landowners, and (2) consolidating for resale in private capital markets the loan obligations of individual landowners. The program shall be operated in all appropriate counties of five States, which States shall be selected by the Secretary.

(b)(1) This pilot program shall operate for five full fiscal years, beginning with the first fiscal year for which funds are first provided for the operation of the program but not prior to the fiscal year which begins on October 1, 1980. No new loans shall be insured or guaranteed after the fifth fiscal year of operation of the pilot program.

(2) The cumulative total of the principal of loans guaranteed under this Act shall not exceed 25 million dollars.

(3) The cumulative total of the principal of loans insured under this Act shall not exceed 25 million dollars.

(c) The Secretary may in the case of insured loans defer, subject to the provisions of section 5(j), the repayment of principal and interest under such conditions as the Secretary shall deem appropriate.

Eligible Borrowers

Sec. 4. Any individual who, or any group, Indian tribe or other native group, association, partnership, corporation, or other legal entity which owns forest land capable of producing crops of industrial wood shall be eligible to receive guaranteed and insured loans under this Act if such person--

(1) owns less than 1,000 acres of land capable of producing crops of industrial wood: Provided, That the Secretary may approve guaranteed and insured loans under this Act of persons owning more than 1,000 acres but not more than 5,000 acres of such land if significant public benefits will accrue;

(2) is not principally engaged in the manufacture of wood products; and

(3) certifies in writing that such person is unable to obtain sufficient credit elsewhere at rates and terms comparable to those provided in this Act.

Terms and Conditions

Sec. 5. (a) The Secretary shall not insure or guarantee any loan under this Act in which the total loan obligation exceeds 80 per centum of the projected market value of the timber as provided in section 5(f).

(b) The total period of time permitted for a loan insured or guaranteed under this Act shall not exceed forty years.

(c) The Secretary may guarantee to any Federal or State chartered

bank, savings and loan association, cooperative lending agency, Federal land bank, or other legally organized lending institution, 90 per centum of that portion of the overall loan obligation which exceeds the market value of the assets securing the loan in the event of default by the landowner.

(d) Loans provided under this Act shall be made upon the personal liability of the borrower and shall be secured by either (1) land, or (2) timber, or (3) land and timber. The lender may require additional security which may include insurance on the timber crop against natural hazards, if such insurance is available, or other appropriate available insurance.

(e) Loans guaranteed under this Act shall bear interest at rates to be agreed upon by the lender and landowner but not in excess of such rate as may be determined by the Secretary. Loans insured under this Act shall bear interest at such rate or rates as are determined by the Secretary, but not less than such rates as determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted in the judgment of the Secretary of the Treasury to provide for rates comparable to the rates prevailing in the private market for similar loans and considering the Secretary's insurance of the loans, plus an additional charge, prescribed by the Secretary, to cover the Secretary's losses and cost of administration, which charge shall be deposited in the Rural Development Insurance Fund, and further adjusted to the nearest one eighth of 1 per centum, such charge not to exceed 1 per centum.

(f) The landowner shall prepare, keep current, and adhere to an individual forest management plan which shall be developed in cooperation with and be approved by the State forester or equivalent State official and which shall describe the activities needed to establish commercial forests, or maintain

or increase the productivity of the landowner's forest land. The forest management plan shall include, but not be limited to, data on types of values of timber to be grown; projected market values of the timber; existing forest stand and site conditions; rates of current and expected growth; and volumes and values of timber to be harvested during the period of the loan. The projected market value of the timber to be harvested during the laon period shall serve as the basis for determining the total loan obligation, including the principal of the loan. The landowner may use the loan proceeds in any manner he deems appropriate, as long as the provisions of the forest management plan and loan agreement are observed. The Secretary shall encourage landowners and State foresters or equivalent State officials to use private consulting foresters, agencies, organizations, and firms to the extent possible for the preparation of individual forest management plans. The preparer of the forest management plan shall encourage the development of a plan for the landowner's entire forested property, consistent with sound forestry practices and the individual landowner's ownership objectives.

(g) The amount of the periodic loan disbursement shall be based upon the projected market value of the timber as estimated in the forest management plan, but in no case shall the total principal and interest obligation exceed 80 per centum of the projected market value of the timber as estimated in the forest management plan.

(h) Individual loan agreements and forest management plans may be periodically reviewed by the lender, landowner, the preparer of the forest management plan, and in the case of guaranteed loans by the Secretary. Following such review, the loan period, principal amount, interest rate, and amount and interval of the periodic disbursement may be adjusted as agreed by both landowner and lender and in the case of guaranteed loans by the Secretary.

(i) At the discretion of the lender, and with the approval of the Secretary, loans guaranteed under this Act may, upon the application of the landowner, be transferred to, and assumed by, a new non-industrial landowner who agrees to the terms and conditions of the loan, assumes any outstanding liability and obligations thereunder and who otherwise qualifies under the provisions of this Act.

(j) The borrower shall be entitled to prepay without penalty all or any part of the outstanding loan obligation insured or guaranteed pursuant to the provisions of this Act. Income from the sale of timber covered by the loan agreement shall be applied to the outstanding loan obligation. However, the periodic loan disbursements may continue over the full term of the loan, even if payments applied to the loan obligation are made during the loan period.

(k) Except for guaranteed loans, the landowner shall agree that if at any time it shall appear to the Secretary that the landowner may be able to obtain a loan from any Federal or State chartered bank, savings and loan association, cooperative lending agency, Federal land bank, or other legally organized lending institution at rates and terms comparable to those provided for in this Act, for loans for similar purposes and periods of time, the landowner will, upon request by the Secretary, apply for and accept such loans in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan.

Program Development and Evaluation Committee

Sec. 6. To advise in the development of the program, and to aid in preparing recommendations regarding the continuance and expansion of the program, the Secretary shall appoint a committee of not less than five persons, including, but not limited to, representatives from public agencies, private lending

institutions, private forestry concerns and individual landowners. The Secretary shall also consult with the committee in the preparation of such reports as required in section 8 of this Act. Individuals who serve on the committee and who are not employed by the Federal Government, shall be paid such compensation for their services as the Secretary shall determine but such compensation shall not exceed the daily equivalent of the rate prescribed for grade GS-18 in section 5332 of title 5 of the United States Code per day when actually employed, and actual necessary traveling and subsistence expenses or a per diem allowance in lieu of subsistence expenses, as authorized by section 5703 of title 5 of the United States Code for persons in Government service employed intermittently, when advising on the program away from their homes or regular places of business.

Rules and Regulations

Sec. 7. The Secretary shall, within one hundred and twenty days after the date of the enactment of this Act, and in accordance with section 553 of title 5, United States Code, promulgate such final rules and regulations as the Secretary deems appropriate to implement the provisions of this Act. The Secretary may, in accordance with such section, promulgate rules and regulations modifying the rules and regulations promulgated under the preceeding sentence.

Reports

Sec. 8. The Secretary shall report annually to the Congress on the progress of the pilot program authorized by this Act. The first such report shall be submitted upon completion of the first fiscal year of operation of the program authorized by this Act. The final report shall be submitted prior to completion of the fifth fiscal year of operation and shall include the Secretary's recommendation on whether additional loans shall be insured or guaranteed.

Appropriation Authorization

Sec. 9. (a) This program shall be funded using funds drawn from the Rural Development Insurance Fund established under section 309A of the Consolidated Farm and Rural Development Act and subject to the provisions governing such fund. The Secretary may use such funds for (1) making insured loans to eligible borrowers under this Act, and (2) guaranteeing individual loans under this Act in the event of defaults by eligible landowners.

(b) There are hereby authorized to be appropriated such sums as may be necessary for the purposes of administrative expenses, including reimbursement to State foresters or equivalent State officials, and reimbursement to the Rural Development Insurance Fund for funds withdrawn for the operation of the program. Such sums shall remain available until expended.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, Sept. 26, 1979

(Sub) Committee on Cotton

Meeting: Public Hearing

Subject: Extra long staple cotton program

Bill Nos. H.R. 5329

The Cotton (Sub) Committee met in open Session at 10:00 o'clock, in Room 1302

The following Members were present:

Mr. Bowen	Mr.	Mr.
Mr. Coelho	Mr.	Mr.
Mr. Jones (Tenn.)	Mr.	Mr.
Mr. Hance	Mr.	Mr.
Mr. Stenholm	Mr.	Mr.
Mrs Heckler	Mr.	Mr.
Mr. Thomas	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Glenda Temple, Clerk
John Waits, Subcommittee Staff Consultant
Linda Miller, Staff Assistant

Witnesses:

1. Hon. Howard Hjort, Director of Economics, Policy Analysis, and Budget, U.S. Department of Agriculture, Washington, D.C.

   Acc. by: Mr. Charles Cunningham

2. Mr. J. S. Francis, Jr., Chairman, Legislative Committee, Arizona Cotton Growers, Peoria, Arizona.

3. Mr. Wilbur Wuertz, President SUPIMA Association of America, Casa Grande, Arizona.

Statements Filed:

1. American Cotton Shippers Association, Washington, D.C.

Wednesday, September 26, 1979
Subcommittee on Cotton
Public Hearing
Extra long staple cotton program
H.R. 5329

Chairman Bowen called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on legislation to establish an improved program for extra long staple cotton. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

During the proceedings one recess was taken at 10:27 a.m. to enable Members to respond to a recorded vote on the House Floor. At 11:18 a.m. the meeting was adjourned by Acting Chairman Hance, to reconvene subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, September 27, 1979

(Sub) Committee Forests; Conservation and Credit

Meeting: Business

Subject: Forestry Loan Act of 1979

Bill Nos. H.R. 4718

The Forests and Conservation and Credit (Sub) Committee s met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

Conservation and Credit		Forests		
Mr.	Jones (Tenn.)	Mr.	Weaver	Mr.
Mr.	Huckaby	Mr.	Huckaby	Mr.
Mr.	Brown	Mr.		Mr.
Mr.	Baldus	Mr.		Mr.
Mr.	English	Mr.		Mr.
Mr.	Daschle	Mr.		Mr.
Mr.	Kelly	Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		Mr.
Mr.		Mr.		
Mr.		Mr.		

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Gary L. Norton, Assistant Counsel
Glenda Temple, Clerk
Peggy Thomson, Subcommittee Staff Consultant
Bob Cashdollar, Subcommittee Staff Consultant
Rita DiSimone, Staff Assistant
Wayne Fletcher, Staff Assistant

Witnesses:

None

Statements Filed:

None

Thursday, September 27, 1979
Forests, Conservation and Credit
Business Meeting
Forestry Loan Act of 1979
H.R. 4718

Chairman Jones (Tenn.) called the joint subcommittee meeting to order for the purpose of considering the Forestry Loan Act of 1979. The Clerk was directed to call the roll, and the following Members responded when their names were called:

1. Mr. Weaver
2. Mr. Brown
3. Mr. Baldus
4. Mr. English
5. Mr. Huckaby
6. Mr. Daschle
7. Mr. Kelly
8. Mr. Jones (Tenn.)

Eight Members having responded, a quorum was not established. Mr. Kelly made a point of order that a quorum was not present, and Mr. Huckaby asked Mr. Kelly to withhold his motion to permit the subcommittees to engage in discussing the legislation and permit him to offer a substitute for consideration. Mr. Kelly insisted on his point of order.

At 10:10 a.m. the meeting was adjourned, due to the lack of a quorum to reconvene, subject to the call of the Chair, at which time the one-third quorum rule will be in effect.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date October 2, 1979

(Sub) Committee on Conservation and Credit

Meeting: Public Hearing, Hutchinson, Kansas

Subject: Farm Credit Act Amendments

Bill Nos. H.R. 4782

The Conservation & Credit (Sub) Committee met in public Session at 9:57 A.M. o'clock, in Room Far Mar Co. Auditorium

The following Members were present:

Mr. Jones	Mr.	Mr.
Mr. Sebelius	Mr.	Mr.
Mr. Glickman	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Bob Cashdollar
Wayne Fletcher
Frank Winston

Action taken:

Witnesses:

See attached sheets .

Statements Filed:

NONE

1. W. Gordon Leith
   Corp. Vice President & Secretary
   Farmland Industries, Inc./Far-Mar Co.
   3315 North Oak Trafficway
   Kansas City, Missouri 64116
   (913) 432-1743
   (816) 459-6204

2. Don E. Hayes
   Assistant Vice President of Export Sales
   Union Equity Co-operative Exchange
   P. O. Box 3408
   Enid, Oklahoma 73701
   (405) 237-2938
   (405) 233-5100

3. Kirkland C. Martin
   Chairman, Executive Committee
   Cooperative Utilities Finance Corporation
   Box 1447
   Lovington, New Mexico 88260
   (505) 396-3269
   (505) 396-3631

4. Richard D. Powers
   President
   Garden National Bank
   P. O. Box N
   Garden City, Kansas 67846

   (316) 275-7252
   (316) 275-6151

5. Jerold L. Harris
   Banker - Senior Vice President & Secretary
   Federal Land Bank of Wichita
   1333 Firefly Drive
   Wichita, Kansas 67235
   (316) 722-6803
   (316) 264-5371

6. James W. Fee
   General Insurance Agent
   Independent Insurance Agents of Kansas
   Fontrol-Fee Agency, Inc.
   P. O. Box 976 - 30 W. Sherman
   Hutchinson, Kansas 67501
   (316) 662-9594
   (316) 662-2381

7. Alton B. Cook
   President
   Federal Intermediate Credit Bank
   151 N. Main - Suite 500
   Wichita, Kansas 67201
   (316) 685-0635
   (316) 264-5371

8. Harold J. Shoaf
Director of Public Relations
Kansas Electric Cooperatives
P. O. Box 4267 - Gage Center Station
Topeka, Kansas 66604
(913) 272-8740

9. Galen K. Unruh
Banker - Assistant Vice President
The First National Bank
P. O. Box 1217
Liberal, Kansas 67901
(316) 624-2396
(316) 624-1971

10. Robert J. Binder
Farmer - President
Kansas Association of Conservation District
Munjer Rt.
Hays, Kansas 67601
(913) 625-5430

11. Dean H. Schemm
Farmer
Great Plains Conservation Program
R.R. 1, Box 57
Wallace, Kansas 67761
(913) 891-3764

12. Marion Lee Krehbiel
Farmer
Great Plains
R.R. 2
Pretty Prairie, Kansas 67570
(316) 459-6856

13. Robert Martin
Farmer
Great Plains Conservation Program
Herndon, Kansas 67739
(913) 322-5563

14. John W. Tippie
Soil Conservationist
Soil Conservation Service - USDA
760 S. Broadway
Salina, Kansas 76401
827-7642
825-9535

15. Dale Lyon
Farmer - President
Kansas Farmers Union
P. O. Box 1064
McPherson, Kansas 67460
(913) 695-2358
(316) 241-6630

16. Herbert N. Edmonds
President
Kansas Association of Farmer Elected Committeemen
R.R. 2, Box 78
McLouth, Kansas 66054
(913) 796-6610

17. C. Quincy Keller
Farmer - ASC County Committeeman
Reno County ASC
Rt. 1
Arlington, Kansas 67514
(316) 596-2535

18. Charles F. Lewis
Farmer
R.R. 1
Yates Center, Kansas 66783
625-2992

19. F. Dwight Day
Rancher
Noble County ASC Committee
Rt. 2, Box 170
Perry, Oklahoma 73077
(405) 336-2800

20. Loren D. Freeman
Farmer
ACP & ASCS
Rt. 4, Box 136
Holdenville, Oklahoma 74848
(405) 941-3637

21. Wallace D. Murphy
Ranching
Osborne County Conservation District
Rt. 1, Box 40
Alton, Kansas 67623
(913) 984-2544
(913) 984-2544

22. Dean F. Myers
Contractor - Past President
Kansas Land Improvement Contractors Association
Havensville, Kansas 66432
(913) 948-2751

23. Al J. Schmaderer
Conservation Program Specialist
Agriculture Stabilization Conservation Service
2601 Anderson Avenue
Manhattan, Kansas 66502
539-9262
539-3531

24. John H. Adrian
Farmer and Chairman, ASC State Committee
ASCS - USDA
Rt. 1
Moundridge, Kansas 67107
(316) 345-8419

25. John D. Madden
Contractor
Madden Executive Committee
Box 834
Bristow, Oklahoma 74010
(918) 367-6256

26. Bert M. Kimberlin (Testifying on behalf of O.L.I.C.A.)
Box 115
Wellston, Oklahoma 74881
(405) 356-2767

27. Jim L. Ray
State Executive Director
Agricultural Stabilization and Conservation Service
2601 Anderson Avenue
Manhattan, Kansas 66502
(913) 776-5527
(913) 539-5111

Wednesday, October 2, 1979
Subcommittee on Conservation & Credit
Public Hearing, Hutchinson, Kansas
H.R. 4782, Farm Credit Act Amendments
of 1979 and Review of Conservation
Programs

Chairman Jones (Tenn.) called the hearing to order at 9:57 A.M. for the purpose of hearing and questioning the witnesses listed on pages 2, 3, 4, and 5 of these minutes.

At 4:00 P.M. the hearing was adjourned.

Bob Cashdollar

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date October 3, 1979

(Sub) Committee on Conservation & Credit

Meeting: Public Hearing

Subject: Farm Credit Act Amendments

Bill Nos. H.R. 4782

The Conservation and Credit (Sub) Committee

met in public Session at 9:30 A.M. o'clock, in Room C & I
Sheraton Inn
Aberdeen, South Dakota

The following Members were present:

Mr. Jones of Tenn.	Mr.	Mr.
Mr. Daschle	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Bob Cashdollar
Wayne Fletcher
Frank Winston

Action taken:

Witnesses:

See attached sheets

Statements Filed:

NONE

1. R. Lars Herseth
   Farmer-Rancher-State Legislator
   Houghton, South Dakota 57449
   (605) 885-6362

2. Keith L. Harner (Testifying on behalf of Governor William Janklow)
   Director, Division of Conservation
   South Dakota Department of Agriculture
   614 North Willow
   Pierre, South Dakota 57501
   (605) 224-2366 - home
   (605) 773-3258 - work

3. Wilbert A. Blumhardt
   Chairman
   South Dakota State Conservation Commission
   Bowdle, South Dakota 57428
   285-6467

4. Vernon Seger
   Rancher
   S.D.A.C.D.
   Oelrichs, South Dakota 57763
   (605) 535-2045

5. Verner Magnusson
   Farmer and Nebraska President
   of Nebraska Association of Farmer Elected Committeemen
   R.R. 2
   Oakland, Nebraska 68045
   (402) 377-2236

6. Gary D. Martens
   Area Director
   N.A.F.E.C.
   Route 4, Box 224
   Mora, Minnesota 55051
   (612) 679-2799

7. John Locken
   Farmer, Brown County Committeeman
   Brown County ASCS Committee
   Box 97
   Bath, South Dakota 57427
   (605) 225-8322 (home)
   (605) 225-1070 (office)

8. Leonard W. Schultz
   Owner-operator, Committee Member
   Shannon County Conservation District
   Batesland, South Dakota 57716
   (605) 288-1966

9. Fritz H. Rosebrock
Farmer
Great Plains Conservation
Frederick, South Dakota 57441
(605) 329-2012

10. Dale S. Engelhart
Farming & Ranching
Great Plains
Barnard, South Dakota 57426
(605) 329-2137

11. Carvin H. Guy
Rancher
Marshall County Supervisor-President
Conservation & its funding
Veblen, South Dakota 57270
(605) 738-2420

12. Richard Ekstrum
Farming
South Dakota Farm Bureau
Box 1460
Huron, South Dakota 57350
(605) 778-6443

13. Curt M. Hahn
Manager
Oahe Conservancy Sub-district
Great Plains Conservation Program
P. O. Box 1985
Aberdeen, South Dakota 57401
(605) 226-0822 (home)
(605) 226-1122 (office)

14. Ben H. Radcliffe
President
South Dakota Farmers Union
Box 1388
Huron, South Dakota 57350
(605) 352-6761

15. Warren G. Grebner
General Manager
South Dakota Wheat Growers Association
Box 1460
Aberdeen, South Dakota 57401
(605) 229-0494 (home)
(605) 225-5500 (office)

16. Virgil L. Fodness
Farmer
East River Electric Power Cooperative
R.R. 3
Lennox, South Dakota 57039

17. James C. Heiser
Vice President
Federal Intermediate Credit Bank of Omaha
Farm Credit Building
19th & Douglas
Omaha, Nebraska 68102
(402) 333-6791 (home)
(402) 444-3404 (office)

18. Leo A. Allmendinqez
Farmer & District Director
Farm Credit Banks of Omaha
Selby, South Dakota 57472
(605) 649-7247

19. Roland A. Chicoine
Farmer
NLB
Box 69
Elk Point, South Dakota 27025
(605) 966-5578

20. Roger D. McKellips
Banker
State Bank of Alcester
P. O. Box 36
Alcester, South Dakota 57001
(605) 934-2358
(605) 934-2500

21. Roland A. Benson
Executive Vice President
Independent Insurance Agents of South Dakota
P. O. Box 327
Pierre, South Dakota 57501
(605) 224-2500
(605) 224-7566

22. Karl P. Graeber
Insurance Salesman
Independent Agents of South Dakota
Box 1006
Aberdeen, South Dakota 57401
(605) 229-0575
(605) 225-1720

23. Peter H. Waletuh (Testifying on behalf of Tom Daschle & Ed Jones)
Farmer
Langford, South Dakota 57454
(605) 486-4725

24. Dennis K. Larson
Farmer
Box 592
Groton, South Dakota 57445
(605) 397-2680

25. Lester L. Boehmer
Assistant District Director
Farmers Home Administration
Box 1454
Aberdeen, South Dakota 57401
(605) 225-0250 Ext. 251 (office)
(605) 229-1417 (home)

Tuesday, October 3, 1979
Subcommittee on Conservation & Credit
Public Hearing, Aberdeen, S.D.
H.R. 4782, Farm Credit Act
Amendments of 1979 and Review of
Conservation Programs

Chairman Jones (Tenn.) called the meeting to order at 9:30 A.M. for the purpose of hearing and questioning witnesses listed on pages 2, 3, 4, and 5 of these minutes.

At 3:30 P.M. the hearing was adjourned.

Bob Cashdollar

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date October 4, 1979

(Sub) Committee on Conservation and Credit

Meeting: Public Hearing

Subject: Farm Credit Act Amendments and Review of Conservation Programs

Bill Nos. H.R. 4782

The Conservation and Credit (Sub) Committee met in public Session at 9:30 A.M o'clock, in Room 936 Federal Building Memphis, Tennessee

The following Members were present:

Mr. Jones of Tenn.	Mr.	Mr.
Mr. Madigan	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Bob Cashdollar
Frank Winston

Action taken:

Witnesses:

See attached sheets

Statements Filed:

1. Honorable Bill Alexander
   U.S. House of Representatives
   Washington, D. C. 20515

2. Honorable Tommy Burnett
   Tennessee House of Representatives
   Box 609
   Jamestown, Tennessee 38556

3. Mr. R. E. Short
   Chairman of the Board
   Riceland Foods, Inc.
   P. O. Box 927
   Stuggart, Arkansas 72160
   (501) 673-5500

4. Mr. Reuben Johnson
   National Farmers Union
   1012 - 14th Street, N. W.
   #600
   Washington, D. C. 20005
   (202) 628-9774

5. Mr. William Kuegel
   Dairy Farmer
   Owensboro, Kentucky 42301
   (502) 683-7983

6. Mr. Billy Joe Miles
   Carter Road
   Owensboro, Kentucky 42301
   (502) 926-2420

7. Mr. Alan Harland
   P. O. Box 47
   Columbia, Tennessee 38401
   (615) 388-1316

8. Mr. Tom Wade, Jr.
   Kenton, Tennessee 38233
   (901) 749-5421

9. Mr. Robert Wooten
   Munford, Tennessee 38058
   (901) 836-6535

10. Mr. Flavius A. Barker
    Rt. 1, Box 55
    Dunlap, Tennessee 37327
    (615) 949-2771
          949-2164

11. Mr. Ed Townsend
Rt. 1
Parris, Tennessee. 38242
(901) 642-9280

12. Mr. Charles McCright (Accompanied by Thomas Burrell)
Box 954
Dyersburg, Tennessee 38059
(901) 285-0135

13. Mr. Larry Davis
Rt. 1, Box 40
Covington, Tennessee 38019
(901) 476-2522

14. Mr. G. C. Cortwright
(Via Don Branch or Ms. Pace)
Box 367
Rolling Fork, Mississippi 29159
(504) 527-5605

15. Mr. Leemon Colyer
(Farmer)
Somerset, Kentucky 42501

16. Mr. Stan Herren
Vice President, Delta National Bank
Chairman of Ag. Committee of Mississippi Bankers Association
P. O. Box 750
Yazoo City, Mississippi 39194
(601) 746-3221

17. Dr. Phil Munnert
Director of Planning
Memphis State University
2226 John Hall
Memphis, Tennessee 38152
(901) 454-2056

18. Mr. Tony Campbell
Tennessee Conservation League
1720 West End Avenue, #600
Nashville, Tennessee 37203
(615) 329-4230

19. Mr. Talmage Crihfield, Jr.
Tennessee Conservation League
Ripley, Tennessee 38063
(901) 635-1407 or
635-3320

20. Mr. A. C. McCalla
Tennessee Association of Conservation Districts
Rosemark, Tennessee 38053
(901) 829-4244

21. Mr. Steve Brunson
Director
National Association of Conservation District
Rt. 1
Moscow, Tennessee 38057
(901) 877-6284

22. Mr. John Ware (Buddy) Moses, III
Brownsville, Tennessee 38012
(901) 772-4448

23. Mr. William W. (Bill) Tanner
Union City, Tennessee 38261
(901) 885-6507

24. Mr. Richard Luty
3846 Mill Branch
Suite 5
Memphis, Tennessee 38116
(901) 345-2282

25. Mr. Clarence Sparks
Walls, Mississippi 38680
(601) 781-0781

26. Mr. Jerry Uhl
Vice Chairman
Production Credit Association
P. O. Box 8
Ashland, Ohio 44805
(419) 289-2204

27. Mr. Thomas N. Farr
President
Louisville Bank for Co-ops
P. O. Box 32650
Louisville, Kentucky 40232
(502) 566-7000

28. Mr. Richard Feltner
President
Federal Intermediate Credit Bank
P. O. Box 32380
Louisville, Kentucky 40232
(502) 566-7000

Thursday, October 4, 1979
Conservation and Credit Subcommittee
Field Hearing, Memphis, Tennessee
Farm Credit Act Amendments and
Review of Conservation Programs
H.R. 4782

Chairman Jones called the hearing to order at 9:30 A.M. for the purpose of hearing and questioning the witnesses listed on pages 2, 3, and 4 of these minutes.

At 5:00 P.M. the hearing was adjourned.

Bob Cashdollar

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date October 5, 1979

(Sub) Committee Conservation and Credit

Meeting: Public Hearing

Subject: Farm Credit Amendments of 1979

Bill Nos. H.R. 4782

The Conservation and Credit (Sub) Committee

met in public Session at 9:30 A.M. o'clock, in Room 936
Federal Building
Memphis, Tennessee

The following Members were present:

Mr. Jones of Tenn.	Mr.	Mr.
Mr. Madigan	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Bob Cashdollar
Frank Winston

Action taken:

Witnesses:

See attached sheets

Statements Filed:

1. Mr. Parks Tigrett
   114 Main Street
   Newbern, Tennessee 38059
   (901) 627-3206

2. Mr. Vernon Wright
   President
   Federal Intermediate Credit Bank
   P. O. Box 50062
   New Orleans, Louisiana 70150
   (504) 527-5700

3. Mr. John D. Naill, Jr.
   Federal Credit Bank
   315 White Oak
   Brinkley, Arkansas 72021
   (501) 734-3221

4. Mr. Jack Gibson
   Boydella, Arkansas 71632
   (501) 473-2412

5. Mr. Armisted M. Feland
   Box 5489
   North Little Rock, Arkansas 72119
   (501) 945-2371

6. Mr. J. N. Lawhon
   Cache River Production Credit Association
   McCrory, Arkansas

7. Mr. Tom Gist
   Chairman
   Federal Credit Bank
   (6th District) Rt. 3
   P. O. Box 261
   Marianna, Arkansas 72360
   (501) 275-5586

8. Mr. Earl Bullington
   Box 81
   Caruthersville, Missouri 63830
   (314) 333-0624

9. Mr. Herbert Rone
   R. 2
   Portageville, Missouri 63873
   (314) 379-5064

10. Mr. Jeff Wade, Jr.
    R. 2
    Bragg City, Arkansas 63827
    (314) 888-3397

11. Mr. Parnell Garrigan
    R. 4
    Hickman, Kentucky 42050
    (502) 583-5077

12. Mr. Hugh Garrigan
R. 4
Union City, Tennessee 38261
(901) 885-0348

13. Mr. Lucian Isbell
R. 4
Hickman, Kentucky 42050
(502) 883-5038

14. Mr. Jack McNeil
President
Independent Insurance Agents of Arkansas
621 Main Street
Little Rock, Arkansas 72201
(501) 375-7347

15. Mr. Earl Taute
Box 667
Glasgow, Kentucky 42141
(502) 651-6731

16. Mr. William E. Bailey
Tennessee Farmers Co-op
Lavergne, Tennessee 37086
(615) 793-8305

17. Mr. Don Sands
Gold Kist, Inc.
P. O. Box 2210
Atlanta, Georgia 30301
(404) 393-5020

18. Mr. Roscoe Gibson
R. 1
Clarksburg, Missouri 65025
(816) 433-5804

19. Mr. Neal Gillen (Accompanied by Peter Hirchfield, Molson and Co.
American Cotton Shippers Dallas, Texas)
1707 L Street, N. W.
Suite 460
Washington, D. C.

20. Mr. James Putman
President
Tennessee Farm Bureau
Columbia, Tennessee

21. Mr. Elvin J. Farrar
P. O. Box 1407
Dalton, Georgia 30720
(404) 259-9441

22. Mr. John A. Reisz
P. O. Box 1450
Owensboro, Kentucky 42301
(502) 685-4404

23. Mr. Bardin Redditt
(Farmer)
National Committee Federal Land Bank Association
108 Gwin Street
Greenwood, Mississippi 38930

24. Mr. Tom Hutchinson
Rutherford Farmers Co-op.
Rt. 1
Murphreesboro, Tennessee 37130
(502) 566-7372 - via Carlos Elliott

25. Mr. Paul Noel
Hopkinsville Elevator
Rt. 4
Hopkinsville, Kentucky 42240
(502) 566-7372 - via Carlos Elliott

26. Mr. Dan Crumpton
924 Oakhurst
Clarksdale, Mississippi 38614
(601) 624-5022

27. Mr. Billy Ross Brown
Box 229
Oxford, Mississippi 38655
(601) 234-5015

28. Mr. Frank Borthick
Director
Cumberland Electric Membership Corp.
Rt. 4
Springfield, Tennessee 37172
(615) 384-5566

29. Mr. Earl G. Jackson
7643 Adobe Ridge Rd. S.
Mobile, Alabama 36609
(205) 824-4341 or 666-4226 - via Mr. Land (504) 527-5720

30. Mr. Warren T. Price, Jr.
Box 71
Ethel, Louisiana 70730
(504) 634-7152 or 683-8838 - via Mr. Land (504) 527-5720

31. Mr. T. Herman Vann
Capshaw, Alabama 35742
(205) 533-5867 or 232-0284 - via Mr. Land (504) 527-5720

Friday, October 5, 1979
Field Hearing, Memphis, Tennessee
Conservation and Credit Subcommittee
Farm Credit Amendments of 1979
H.R. 4782

Chairman Jones called the meeting to order at 9:30 A.M. for the purpose of hearing and questioning the witnesses listed on pages 2, 3, and 4 of these minutes.

At 3:30 P.M. the meeting was adjourned.

Bob Cashdollar

Bob Cashdollar

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, October 10, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Discuss Rule on H.R. 3398

Bill Nos. H.R. 3398

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr. Wampler	Mr.
Mr. Jones (Tenn.)	Mr. Sebelius	Mr.
Mr. Richmond	Mr. Symms	Mr.
Mr. Weaver	Mr. Grassley	Mr.
Mr. Baldus	Mr. Hagedorn	Mr.
Mr. Bedell	Mr. Marlenee	Mr.
Mr. English	Mr. Thomas	Mr.
Mr. Fithian	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Whitley	Mr.	Mr.
Mr. Daschle	Mr.	Mr.
Mr. Hance	Mr.	Mr.
Mr. Stenholm	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Glenda Temple, Clerk

Witnesses:

None

Statements Filed:

None

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Wednesday, October 10, 1979
Full Committee
Business Meeting
Discuss Rule on H.R. 3398

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. Baldus
2. Mr. Bedell
3. Mr. English
4. Mr. Fithian
5. Mr. Skelton
6. Mr. Huckaby
7. Mr. Whitley
8. Mr. Daschle
9. Mr. Hance
10. Mr. Stenholm
11. Mr. Symms
12. Mr. Grassley
13. Mr. Hagedorn
14. Mr. Thomas
15. Mr. Foley
16. Mr. Jones (Tenn.)
17. Mr. Richmond
18. Mr. Marlenee
19. Mr. Wampler
20. Mr. Weaver

Twenty Members having responded a quorum was not established.

At 10:55 a.m. the meeting was adjourned to reconvene at 10:30 a.m. on Thursday, October 11, at which time the one-third quorum rule will be in effect and the pending business will be discussion of the rule on H.R. 3398 relating to the target prices of the 1979 crops of wheat, corn and other crops, and H.R. 4904, the Soil Welfare Amendments of 1979.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, October 10, 1979

(Sub) Committee on Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Open hearing and open business meeting

Subject: Social Welfare Reform Amendments of 1979

Bill Nos. Sections 129 and 201 of H.R. 4904

The Domestic Marketing, Consumer Relations and Nutrition (Sub) Committee met in open Session at 9:40 A.M. o'clock, in Room 1302 LHOB

The following Members were present:

Mr. Richmond	Mr. Symms	Mr.
Mr. Panetta	Mr. Grassley	Mr.
Mr. Harkin	Mr. Heckler	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

John Kramer, Special Counsel
Bob Franks, Associate Counsel
Joe Crapa, Subcommittee Staff Consultant
Anita Brown, Staff Assistant
Mary Jarratt, Staff Assistant
Glenda Knight, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Honorable James M. Jeffords, Member of Congress from Vermont

2. Mr. Bob Greenstein, Administrator, Food and Nutrition Service, U.S. Department of Agriculture,
   accompanied by: Ms. Jane Ross, Office of Policy, Planning and Evaluation
   Mr. Robert Fersh, Assistant to the Administrator, Food and Nutrition Service

3. Ms. Paula Roberts, Staff Attorney, Food Research and Action Council, Washington, D.C.,
   accompanied by: Mr. Jeff Kirsch, Acting Director

Mr. Thomas Ault, Director, Income Assistance Planning, Department of Health, Education, and Welfare was in audience for the purpose of responding to questions.

Statements Filed:

NONE

Wednesday, October 10, 1979
Subcommittee on Domestic Marketing,
Consumer Relations, and Nutrition
Public Hearing, and Open Business
Meeting
Social Welfare Reform Amendments of 1979

Chairman Richmond called the meeting to order and recognized witnesses in the order listed on page two of these minutes for their prepared testimony and responses to questions from Members of the Subcommittee.

During the hearing, Mr. Panetta chaired for five minutes and the Subcommittee recessed from 10:15 until 10:22 so that Members could respond to a vote on the House Floor.

The hearing was adjourned at 10:50 to go into open business meeting to consider sections 129 and 201 of H.R. 4904.

BUSINESS MEETING

Chairman Richmond called the meeting to order at 11:00 A.M. and made a motion to approve sections 129 and 201 of H.R. 4904 for full Committee consideration. Counsel Kramer was recognized to explain these sections to the Subcommittee. Mr. Richmond announced that he and Mrs. Heckler were in favor of the language. He asked that the record show that he held proxies by Messrs Panetta, Nolan, Glickman, Akaka, and Harkin who were also in favor of reporting the sections to the full Committee, and that had there been a call of the roll, the record would show the results would have been 7 yeas-0 nays in favor of reporting. Thus, sections 129 and 201 of H.R. 4904 were favorably approved for full Committee consideration by voice vote.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, October 11, 1979

(Sub) Committee Full

Meeting: Business

Subject: Rule on H.R. 3398; Social Welfare Amendments

Bill Nos. H.R. 3398; H.R. 4904

The Full (Sub) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr. Stenholm	Mr. Wampler
Mr. de la Garza	Mr.	Mr. Sebelius
Mr. Jones (Tenn.)	Mr.	Mr. Findley
Mr. Bowen	Mr.	Mr. Madigan
Mr. Rose	Mr.	Mr.s Heckler
Mr. Richmond	Mr.	Mr. Jeffords
Mr. Weaver	Mr.	Mr. Kelly
Mr. Baldus	Mr.	Mr. Grassley
Mr. English	Mr.	Mr. Hagedorn
Mr. Skelton	Mr.	Mr. Coleman
Mr. Huckaby	Mr.	Mr. Marlenee
Mr. Glickman	Mr.	Mr. Hopkins
Mr. Coelho	Mr.	Mr. Thomas
Mr. Daschle	Mr.	Mr.
Mr. Hance	Mr.	
Mr. Anthony	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Kramer, Special Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Bob Franks, Associate Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Joe Crapa, Subcommittee Staff Consultant
Mary Jarratt, Staff Assistant

Witnesses:

Representing the Administration and responding to questions on target prices was--

1. Mr. John Goodwin, Associate Administrator, Agricultural Stabilization and Conservation Service, USDA.

Statements Filed:

None

Thursday, October 11, 1979
Full Committee
Business Meeting
Rule on H.R. 3398; Social Welfare Amendments
H.R. 3398; H.R. 4904

Action taken:

-- Unanimous consent request by Mr. Foley to request waiver from Rules Committee on H.R. 3398 not agreed to.

-- English motion to direct Chairman to request waiver from Rules Committee on H.R. 3398 approved by voice vote.

-- Grassley amendment to H.R. 4904 not approved by a show of hands vote of 6 yeas-8 nays.

-- Jeffords amendment to H.R. 4904 not adopted by show of hands vote of 4 yeas-5 nays.

-- Thomas amendment to H.R. 4904 approved by unanimous voice vote.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. Rose
3. Mr. English
4. Mr. Huckaby
5. Mr. Glickman
6. Mr. Daschle
7. Mr. Hance
8. Mr. Anthony
9. Mr. Stenholm
10. Mr. Sebelius
11. Mr. Findley
12. Mr. Jeffords
13. Mr. Thomas
14. Mr. Foley
15. Mr. Jones (Tenn.)
16. Mr. Bowen
17. Mr. Coelho
18. Mr. Madigan
19. Mr. Marlenee
20. Mr. Grassley
21. Mr. Baldus
22. Mr. Weaver
23. Mr. Richmond

Twenty-three Members having responded, a quorum was established.

The Chairman advised that the first item of business was consideration of the rule to accompnay H.R. 3398, relating to increases in the target prices for the 1979 crops of wheat, corn, and other crops. The Chairman explained the situation

and asked unanimous consent that he contact the Rules Committee for a waiver to make the 1979 target prices on wheat and feed grains minimum target prices for 1980 if cooperators remained within the normal crop acreage for the farm. Discussion occurred on the proposal.

Mr. Sebelius asked that the Rules Committee request be amended to make in order an amendment to increase the target price for 1980 by an additional seven percent, and discussion occurred. Mr. Kelly objected to the unanimous consent request.

Mr. English moved that the Committee adopt the Chairman's recommendation to request a waiver from the Rules Committee and discussion continued. By a voice vote the motion was agreed to. Mr. Kelly requested a recorded vote and one Member (an insufficient number) voted to sustain the request. Mr. Kelly asked that the record reflect that he had voted against the proposal.

The Chairman called for the consideration of H.R. 4904, the Social Welfare Act Amendments of 1979. Mr. Richmond, Chairman of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, was recognized to explain the Subcommittee action on the legislation as reported by the Ways and Means Committee. Counsel Kramer was asked to explain the provisions of the bill.

Mr. Grassley offered the attached amendment to delete the authority for the Secretary to conduct pilot projects to test cashing out food stamps in households receiving AFDC benefits. Discussion occurred and by a voice vote the amendment was not agreed to. Division was requested and by a show of hands vote of 6 yeas-8 nays the Grassley amendment was not approved.

Mr. Jeffords offered the attached amendment which would allow categories of elderly to be able to receive cash in lieu of food stamps. Discussion occurred and by a show of hands vote of 4 yeas-5 nays the amendment was not approved. Mr. Jeffords requested a recorded vote and one Member (an insufficient number) voted to support the request.

Mr. Thomas offered the attached amendment authorizing the Secretary to conduct pilot projects to test the efficacy of cashing out food stamps to food stamp eligible households with any member who is entitled to AFDC only if requested by the Governor of the State where the project will be conducted. Discussion

occurred and by a unanimous voice vote the amendment was agreed to.

Mr. Kelly made a point of order that a quorum was not present and the Clerk was directed to call the roll. The following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. Richmond
3. Mr. Hance
4. Mr. Anthony
5. Mr. Stenholm
6. Mr. Wampler
7. Mr. Jeffords
8. Mr. Kelly
9. Mr. Grassley
10. Mr. Coleman
11. Mr. Thomas
12. Mr. Foley
13. Mr. Weaver

Thirteen Members having responded a one-third quorum was not established.

The Chairman announced that a letter would be written to the Rules Committee stating that the Committee was unable to complete action on the bill prior to expiration of the deadline given the Committee.

At 12:25 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

Glenda Temple

AMENDMENT TO H.R. 4904

Offered by Mr. Grassley

On page 102, line 11, insert "and" following the semicolon.

On page 102, strike lines 12 through 14.

On page 102, line 15, change "(4)" to "(3)".

Explanation

This amendment would delete the authority for the Secretary of Agriculture to conduct pilot projects to test cashing out food stamps in the case of households receiving AFDC benefits.

Amendment to H.R. 4904

Offered by Mr. Jeffords

On page 109, after line 2, insert the following new subsection (c):

"(c) Notwithstanding any other provision of law, the Secretary of Agriculture, at the request of the governor, in accordance with arrangements entered into with the Secretary of Health, Education, and Welfare, shall pay each household --

"(1) of which every member is either over sixty-five or is eligible for grants to the blind or disabled in Guam, Puerto Rico, and the Virgin Islands;

"(2) which is eligible to participate in the food stamp program; and

"(3) which is not entitled to a payment under section 1619 of the Social Security Act;

an amount equal to the value of a coupon allotment to which the household is entitled under the Food Stamp Act of 1977. For the purposes of section 8(b) of the Food Stamp Act of 1977 pertaining to benefits provided being excluded as income or resources under other laws, an amount paid under this subsection shall be treated as the value of the coupon allotment. In the administration of such Act, a household which receives payments under this subsection for any month shall not be issued a coupon allotment for such month. Payments under this subsection shall be made at such time or times as the Secretary of Agriculture determines by rule and shall be designated (on any voucher or other record of payment) as 'Nutritional Supplement.'"

AMENDMENT TO H.R. 4904

Offered by Thomas

On page 102, strike the word "and" on line 14, change "(4)" on line 15 to "(5)", and insert the following new clause (4) immediately after line 14:

"(4) by inserting at the end of the first sentence the following proviso:

'Provided, That no pilot or experimental project involving the payment of the value of allotments in the form of cash to eligible households any of whose members is entitled to aid to families with dependent children under part A of title IV of the Social Security Act shall be conducted in any State unless the governor of such State has requested the conduct of such project.'; and".

Explanation

This amendment would authorize the Secretary of Agriculture to conduct pilot projects to test the efficacy of cashing out food stamps to food stamp eligible households with any member who is entitled to AFDC only if requested by the governor of the State where the project will be conducted.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, October 11, 1979

(Sub) Committee on Cotton

Meeting: Business

Subject: Extra long staple cotton program

Bill Nos. H.R. 5523

The Cotton (Sub) Committee met in Open Session at 10:25 AM o'clock, in Room 1302 LHOB

The following Members were present:

Mr. Bowen	Mr. Thomas	Mr.
Mr. Coelho	Mr.	Mr.
Mr. Hance	Mr.	Mr.
Mr. Stenholm	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

John Waits, Subcommittee Staff Consultant
Bob Franks, Associate Counsel
Linda Miller, Staff Assistant
Kathleen Garvin, Legal Intern
Peggy Pecore, Staff Assistant

Witnesses:

Mr. Charles Cunningham, Chief Program Analyst, ASCS, USDA, was present to answer questions from Members of the Subcommittee

Statements Filed:

NONE

Thursday, October 11, 1979
Subcommittee on Cotton
Open Business Meeting
Extra long staple cotton program

Chairman Bowen called the meeting to order and explained that H.R. 5523 superseded H.R. 5329 on which hearings had been held.

After general discussion, Mr. Coelho moved that the bill be approved for full Committee consideration with the recommendation that it do pass. Chairman Bowen asked for a show-of-hands vote and the results were 5 yeas. Thus, by a division vote of 5 yeas-0 nays, the motion was agreed to and H.R. 5523 was ordered reported to the full Committee in the presence of a quorum.

The meeting was adjourned at 10:35 A.M. to reconvene subject to the call of the chair.

David R. Bowen
(Original signature of Member)

96th CONGRESS
1st SESSION

H.R. 5523

To establish an improved program for extra long staple cotton.

IN THE HOUSE OF REPRESENTATIVES

_____, 19__

Mr. BOWEN (for himself, Mr. RHODES, Mr. UDALL, Mr. COELHO, Mr. STENHOLM, Mr. WHITE, Mr. STUMP, Mr. THOMAS, and Mr. RUDD) introduced the following bill; which was referred to the Committee on Agriculture.

A BILL

To establish an improved program for extra long staple cotton.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective with respect to the 1980 and subsequent crops of extra long staple cotton,

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section 101(f) of the Agricultural Act of 1949, as amended, is amended by--

(1) striking out "1968" and inserting in lieu thereof "1980";

(2) striking out "50" and inserting in lieu thereof "85";

(3) striking out "100" and inserting in lieu thereof "135"; and

(4) striking out "65" and inserting in lieu thereof "55".

SEC. 2. Effective with respect to the 1980 and subsequent crops of extra long staple cotton, the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(1) Section 344(m)(2) is amended by inserting immediately before the period at the end of the first sentence the following: ": *Provided*, That any extra long staple cotton allotment which is voluntarily surrendered to the county committee must be surrendered not later than January 30 of the year in which the crop is planted "; and

(2) Section 347(f) is amended by striking out the first and second sentences and inserting in lieu thereof the following: "Notwithstanding any other provision of law, beginning with the 1980 crop of extra long staple cotton, the Secretary shall (1) permit the owner and

operator of any farm for which an extra long staple cotton acreage allotment is established to sell or lease not later than January 30 of the year in which the crop is planted all or any part or the right to all or any part of such allotment to any other owner or operator of a farm in any State or county for transfer to such farm: *Provided, however,* That no such allotment shall be permitted to be leased by an owner and operator for any total period greater than any three years, and (2) permit the owner of a farm to transfer not later than January 30 of the year in which the crop is planted all or any part of such allotment to any other farm in any State or county owned or controlled by him.".

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, October 11, 1979

(Sub) Committee on Forests; Conservation and Credit

Meeting: Business

Subject: Forestry Loan Act of 1979

Bill Nos. H.R. 4718

The Forests and Conservation and Credit (Sub) Committee met in open Session at 2:00 o'clock, in Room 1301.

The following Members were present:

Forests:	Conservation and Credit	
Mr. Weaver	Mr. Jones (Tenn.)	Mr.
Mr. Anthony	Mr. Huckaby	Mr.
Mr. Huckaby	Mr. Glickman	Mr.
Mr. Johnson	Mr. Brown	Mr.
Mr.	Mr. Richmond	Mr.
Mr.	Mr. Baldus	Mr.
Mr.	Mr. Bedell	Mr.
Mr.	Mr. English	Mr.
Mr.	Mr. Daschle	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Gary L. Norton, Assistant Counsel
Bob Franks, Associate Counsel
Glenda Temple, Clerk
Bob Cashdollar, Subcommittee Staff Consultant
Peggy Thomson, Subcommittee Staff Consultant
Rita DiSimone, Staff Assistant
Tom Adams, Staff Assistant

Witnesses:

None

Statements Filed:

None

Thursday, October 11, 1979
Subcommittee on Forests; Subcommittee
on Conservation and Credit
Joint Business Meeting
Forestry Loan Act of 1979
H.R. 4718

Action Taken:

-- Without objection Huckaby substitute amendment approved as markup vehicle.

-- A series of nine amendments by Mr. Weaver was considered. See body of minutes for disposition.

-- By a roll call vote of 4 yeas-1 nay H.R. 4718, as amended, ordered favorably reported to the full Committee in the presence of a quorum.

Chairman Jones (Tenn.) of the Conservation and Credit Subcommittee called the meeting to order for the purpose of marking up H.R. 4718, the Forestry Loan Act of 1979. The Clerk was directed to call the roll, and the following Members responded when their names were called:

Forests Subcommittee

1. Mr. Anthony
2. Mr. Huckaby
3. Mr. Johnson
4. Mr. Weaver

Conservation and Credit Subcommittee

1. Mr. Huckaby
2. Mr. Glickman
3. Mr. Brown
4. Mr. Richmond
5. Mr. Baldus
6. Mr. Jones (Tenn.)

A quorum was present in the Forests Subcommittee, but a quorum of the Conservation and Credit Subcommittee was not present. Chairman Jones (Tenn.) excused the members of the Conservation and Credit Subcommittee and advised that his Subcommittee would consider the legislation following markup by the Forests Subcommittee. Chairman Weaver of the Forests Subcommittee assumed the Chair.

Without objection the Huckaby substitute amendment (see minutes of September 25 for copy) was approved for use as the markup vehicle.

Chairman Weaver offered nine amendments to the Huckaby substitute amendment. Copies of the amendments and explanations are attached to these minutes.

Thursday, October 11, 1979
Subcommittee on Forests; Subcommittee on Conservation and Credit
Joint Business Meeting
Forestry Loan Act of 1979
H.R. 4718

Without objection, amendments numbered, 1, 2, 4, 6 and 7 were agreed to.

Amendment No. 3 was withdrawn, without objection, pursuant to report language suggested by Mr. Anthony.

Amendment No. 5 was agreed to with report language suggested by Mr. Huckaby.

Amendment No. 8 was not approved by a voice vote.

Amendment No. 9 was agreed to in principle, but staff was directed to rewrite the amendment prior to full Committee consideration and to include report language reflecting the Subcommittee's intent.

Mr. Huckaby moved to report H.R. 4718, as amended by the Huckaby substitute amendment, as amended, to the full Committee with the recommendation that it do pass. Mr. Johnson requested a recorded vote and the vote follows:

Y E A S

1. Mr. Anthony
2. Mr. Huckaby
3. Mr. Weaver
4. Mr. Coelho (proxy to Mr. Huckaby)

N A Y S

1. Mr. Johnson

Mr. Johnson advised that Mr. Symms also opposed the legislation and would have voted his proxy against the legislation but a proxy was not on file with the Committee Clerk. Thus, by a roll call vote of 4 yeas-1 nay H.R. 4718, as amended, was ordered reported to the full Committee in the presence of a quorum.

At 3:30 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

#1

AMENDMENT OFFERED BY

Mr. Weaver

to Mr. Huckaby's Amendment to

H.R. 4718 in the nature of a substitute

Page 1, section 2, delete (7) and add the following:

> (7) nonindustrial owners of industrial private forest land frequently are unable to obtain credit at rates and terms sufficiently reasonable to enable them to undertake a forest management program;

Reason: H.R. 4718 is directed towards nonindustrial owners of industrial forest land, not owners of nonindustrial private forest land. This section is now consistent with the use of "industrial" and "nonindustrial" in the rest of the bill.

#2

AMENDMENT OFFERED BY

Mr. Weaver

to Mr. Huckaby's Amendments to

H.R. 4718 in the nature of a substitute

Page 2, delete section 3(a) and add:

> "In order to encourage nonindustrial owners of private industrial forest land to implement and maintain forest management programs, and thereby increase the production of industrial wood, the Secretary of Agriculture (hereafter in this Act referred to as the "Secretary") is authorized and directed to conduct a pilot program of financial assistance to such owners. The program may include but, shall not be limited to: (1) the insuring and guaranteeing of loans which will provide periodic loan disbursements to eligible landowners and, (2) consolidating for resale in private capital markets the loan obligations of individual landowners. The program shall be operated in all appropriate counties of at least five States, two of which shall be west of the 100th meridian andwhich States shall be selected by the Secretary."

Reason: This amendment corrects an error in the first two lines above, H.R. 4718 is directed towards nonindustrial owners of industrial forest land, not owners of nonindustrial forest land. This section is now consistent with the use of "industrial" and "nonindustrial" in the rest of the bill.

#3

AMENDMENT OFFERED BY

Mr. Weaver

to Mr. Huckaby's Amendment to

H.R. 4718 in the nature of a substitute

Page 2, section 3(b) add new subsection (b)(4) as follows:

"(4) At least half of the principal of loans guaranteed and at least half of the principal of loans insured under this Act shall be for establishing stands of trees or reforestation."

Reason: The major expense in timber management is site preparation and tree planting. Only one acre in twenty is being reforested by private, nonindustrial landowners. Increasing productivity depends on both reforestation and improved timber management.

#4

AMENDMENT OFFERED BY

Mr. Weaver

to Mr. Huckaby's Amendment to

H.R. 4718 in the nature of a substitute

Page 3, after line 3, add new subsections (d) and (e) as follows:

"(d) Any contract of insurance or guarantee executed by the Secretary under this Act shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge".

"(e) The provisions of section 310B(6) of the Consolidated Farm and Rural Development Act (75 Stat. 307, as amended) shall apply to loans insured or guaranteed under this act".

Reason: These additions ensure consistency with the Consolidated Farm and Rural Development Act and are recommended by USDA.

AMENDMENT OFFERED BY

Mr. Weaver

to Mr. Huckaby's Amendment to

H.R. 4718 in the nature of a substitute

Page 3, strike out subsection 5(b), insert a new subsection (b) as follows:

"The total period of time permitted for a loan insured or guaranteed under this Act shall be determined by the Secretary consistent with the purposes of this Act and the individual forestry management plan, including but not limited to rates of current and expected growth.

Reason: Some species of trees require more than 40 years to grow to maturity.

#6

AMENDMENT OFFERED BY

Mr. Weaver

to Mr. Huckaby's Amendment to

H.R. 4718 in the nature of a substitute

Page 4, line 2 insert in section 5(c) "approved by the Secretary: after "lending institution" as follows:

"The Secretary may guarantee to any Federal or State chartered bank savings and loan association, cooperative lending agency, Federal land bank, or other legally organized lending institution approved by the Secretary 90 per centum of that portion of the overall loan obligation which exceeds the market value of the assets securing the loan in the event of default by the land owner."

Reason: This is a clarifying amendment recommended by USDA.

#7

AMENDMENT OFFERED BY

Mr. Weaver

to Mr. Huckaby's Amendment to

H.R. 4718 in the nature of a substitute

Page 4, section 3(e) delete from last line "and such charge not to exceed 1 per centum." as follows:

(e) Loans guaranteed under this Act shall bear interest at rates to be agreed upon by the lender and landowner but not in excess of such rate as may be determined by the Secretary. Loans insured under this Act shall bear interest at such rate or rates as are determined by the Secretary, but not less than such rates as determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted in the judgment of the Secretary of the Treasury to provide for rates comparable to the rates prevailing in the private market (for similar loans) and considering the Secretary's insurance of the loans, plus an additional charge, pre scribed by the Secretary, to cover the Secretary's losses and cost of administration, which charge shall be deposited in the Rural Development Insurance Fund, and further adjusted to the nearest one eighth of 1 per centum.

Reason: This language is now identical to 7 U.S.C. 1927.

#8

AMENDMENT OFFERED BY

Mr. Weaver

to Mr. Huckaby's Amendment to

H.R. 4718 in the nature of a substitute

Page 5, section 5(f), delete the following:

> "The landowner may use the loan proceeds in any manner he deems appropriate, as long as the provisions of the forest management plan and loan agreement are observed."

and add the following in its place.

> "The landowner may use the loan in any manner he deems appropriate, as long as the provisions of the forest management plan and loan agreement are observed and as long as the amount available to anyone landowner per year for purposes other than carrying out a forest management plan or plans does not exceed moderate income as defined in Title 5 of the Housing Act of 1949."

Reason: The purpose of H.R. 4718 is to increase forestry investments and provide annual income from the investment. This amendment will ensure that a minimum amount is used for income. It does not limit forest landowners to a moderate income, as many have income from other sources.

#9

AMENDMENT OFFERED BY

Mr. Weaver

to Mr. Huckaby's Amendment to

H.R. 4718 in the nature of a substitute

Page 6, delete section 5(j) and add new section 5(j) as follows:

"(c) The borrower shall be entitled to prepay without penalty all or any part of the outstanding loan obligation insured or guaranteed pursuant to the provisions of this Act.

In addition, the Secretary is authorized to assess penalties as the Secretary deems appropriate, upon the termination of the loan or failure to carry out the forest management by the borrower prior to the time agreed upon by the borrower and the Secretary, and in the case of guaranteed loans by the lender.

Reason: The only disincentive to the borrower who terminates the forest management program is that the forestry loan becomes due and payable. This amendment permits the Secretary to assess a penalty in addition to the repayment.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date October 16, 1979 - morning

(Sub) Committee Dairy and Poultry

Meeting: Public hearing

Subject: Egg Research and Consumer Information Act Amends.

Bill Nos. H.R. 5069

The Dairy and Poultry (Sub) Committee

met in open hearing Session at 10:10 a.m. o'clock, in Room 1302 LHOB

The following Members were present:

Mr. Coelho	Mr. Jeffords	Mr.
Mr. Whitley	Mr. Kelly	Mr.
Mr. Anthony	Mr. Hagedorn	Mr.
Mr. Stenholm	Mr. Hopkins	Mr.
Mr. Baldus	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	

Staff present:

Al Zepp, Subcommittee Staff Consultant
J. Robert Franks, Associate Counsel
Christine Abram, Staff Assistant

Witnesses:

1. Ms. Barbara Schlei, Administrator, Agricultural Marketing Service, U.S. Department of Agriculture
   Acc. by: Mr. John Chernauskas, Director, Marketing Division, Office of General Counsel, USDA
   Mr. Ralph L. Tapp, Chief, Marketing Products Group, Livestock, Poultry, Grain and Feed Division, AMS

2. Mr. Donald Long, Chairman, American Egg Board, Park Ridge, Ill.
   Acc. by: Mr. Lewis Raffel

Statements Filed:

October 16, 1979 -- morning session
Dairy and Poultry Subcommittee
Public Hearing
Egg Research and Consumer Information
Act Amendments
H.R. 5069

The Chairman called the meeting to order at 10:10 a.m. for the purpose of hearing and questioning the witnesses listed on page 2 of these Minutes.

The meeting was recessed at 11:55 a.m. to meet again at 2:00 p.m. this same day.

Christine D. Abram

Christine Abram

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, October 16, 1979

(Sub) Committee on Dairy and Poultry

Meeting: Public Hearing

Subject: Egg Research and Promotion

Bill Nos. H.R. 5069

The Dairy and Poultry (Sub) Committee

met in open Session at 2:00 o'clock, in Room 1302

The following Members were present:

Mr. Baldus	Mr.	Mr.
Mr. Coelho	Mr.	Mr.
Mr. Jeffords	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Glenda Temple, Clerk
Bob Franks, Associate Counsel
Gary L. Norton, Assistant Counsel
Kate Garvin, Assistant Counsel
Claude Freeman, Subcommittee Staff Consultant
Roger Allbee, Staff Assistant

56-383 O - 80 - 25

Witnesses:

1. Mr. Jerry Bookey, United Egg Producers, Washington, D.C.

   Acc. by: Mr. Mike McLeod, Counsel

2. Ms. Ellen Haas, Community Nutrition Institute, Washington, D.C.

   Acc. by: Mr. Tom Smith

Representing the U.S. Department of Agriculture and commenting on the above testimony was:

1. Ms. Barbara L. Schlei, Administrator, Agricultural Marketing Service, USDA.

Statements Filed:

None

Tuesday, October 16, 1979
Dairy and Poultry Subcommittee
Public Hearing
Egg Research and Promotion
H.R. 5069

Chairman Baldus called the Dairy and Poultry Subcommittee to order for the purpose of receiving testimony on H.R. 5069, a bill to amend the Egg Research and Consumer Information Act. He recognized the witnesses listed on page 2 of these minutes for their statements on the legislation. Following presentation of their testimony the witnesses were questioned by the members of the Subcommittee.

At 3:00 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, October 17, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: Food Stamps

Bill Nos. H.R. 4318; H.R. 5057

The Domestic Marketing, Consumer Relations, and Nutrition (Sub) Committee met in open Session at 10:00 o'clock, in Room 1301

The following Members were present:

		Members Also Present:			
Mr.	Richmond	Mr.	Findley	Mr.	
Mr.	Glickman	Mr.		Mr.	
Mr.	Harkin	Mr.		Mr.	
Mr.	Symms	Mr.		Mr.	
Mr.	Grassley	Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	

Staff present:

Fowler C. West, Staff Director
Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Joe Crapa, Subcommittee Staff Consultant
Glenda Knight, Staff Assistant
Anita Brown, Staff Assistant
Mary Jarratt, Staff Assistant

Witnesses:

1. Mr. Lawrence E. Weatherford, Deputy Assistant Secretary for Employment and Training, U.S. Department of Labor, Washington, D.C.

2. Mr. Henry Eschwege, Director, Community and Economic Development Division, U.S. General Accounting Office, Washington, D.C.

   Acc. by: Mr. Dick Bolon, Supervising Auditor.

3. Mr. Robert P. Bynum, Deputy Commissioner for Social Security, Social Security Administration.

Statements Filed:

None

Wednesday, October 17, 1979
Domestic Marketing, Consumer Relations,
and Nutrition Subcommittee
Public Hearing
Food Stamps
H.R. 4318; H.R. 5057

Chairman Richmond called the meeting to order and recognized the witnesses listed on page 2 of these minutes for their prepared testimony on the food stamp legislation. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

At 11:15 a.m. the meeting was adjourned to reconvene on Thursday, October 18, at 9:30 a.m. to hear additional witnesses on the food stamp issue.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, October 17, 1979

(Sub) Committee on Livestock and Grains

Meeting: Public Hearing

Subject: Supervision of weighing of inbound grain at export elevators

Bill Nos. H.R. 5110 and H.R. 5546

The Livestock and Grains (Sub) Committee met in Open Session at 10:05 A.M o'clock, in Room 1302 LHOB

The following Members were present:

Mr.	Rose, Chairman	Mr. Sebelius	Mr.
Mr.	Bedell	Mr.	Mr.
Mr.	English	Mr.	Mr.
Mr.	Daschle	Mr.	Mr.
Mr.	Stenholm	Mr.	Mr.
Mr.	de la Garza	Mr.	Mr.
Mr.	Fithian	Mr.	Mr.
Mr.	Skelton	Mr.	Mr.
Mr.	Jones, Tenn.	Mr.	Mr.
Mr.	Baldus	Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	
Mr.		Mr.	

Staff present:

John Hogan, Counsel
Bob Franks, Associate Counsel
Claude Freeman, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
Kathy Harris, Staff Assistant
Peggy Pecore, Staff Assistant
John Bailey, Staff Assistant

Witnesses:

1. Dr. Leland Bartelt, Administrator, Federal Grain Inspection Service, USDA,
   accompanied by: Mr. David Galliart, Deputy Administrator
   Mr. George Lipscomb, Director, Weighing Division

2. Panel:

   Mr. Glen D. Hofer, Vice President, National Councel of Farmer Cooperatives, Washington, D.C.
   accompanied by: Mr. Lloyd Klaevemann, Vice President, Port Terminal Operations, Producers Grain Corporation, Corpus Christi, Texas

   Mr. Ed Powell, Vice President, Michigan Elevator Exchange, Lansing, Mich.

   Mr. Wayne Slovacek, Vice President, Houston Operations, Union Equity Cooperative Exchange, Houston, Texas

3. Panel:

   Mr. Thomas L. Irmen, General Partner, The Andersons, Maumee, Ohio

   Mr. Clayton W. Johnson, Midstates Terminals, Inc., Toledo, Ohio

   Mr. Harley Donnell, Chairman, Grain Trades and Weights Committee, National Grain and Feed Association, Washington, D.C.

4. Panel:

   Mr. John W. Baskin, President, Port City Barge, Inc., Greenville, Mississippi for the American Waterways Operators, Inc., Arlington, Virginia, acc. by Mr. John Connolly, Vice President, American Waterways Operations, Inc.

   Mr. Vernie Glasson, Director, National Affairs Division, American Farm Bureau Federation, Washington, D.C.

   Mr. George Nicol, Grain Elevator Manager, Brownsville Public Elevator, Port of Brownsville, Brownsville, Texas

Statements Filed:

1. Letter from Representative Wampler to Secretary Bergland and response.
2. Letter from Representative Wampler to Attorney General Civiletti and response.
3. USDA memorandum on all elevator inbound weighing costs.
4. Summary of current grain special indictment/information status and copies of the indictments and information.
5. Staff-selected portions of USDA Study of Grain Inspection and Weighing at the Interior of the United States, issued May, 1979.

Wednesday, October 17, 1979
Subcommittee on Livestock and Grains
Public Hearing
Supervision of weighing of inbound grain at export elevators
H.R. 5110, H.R. 5546

Chairman Rose called the meeting to order and recognized the witnesses listed on page two for their testimony and responses to questions by Members of the Subcommittee.

During the hearing, the Subcommittee recessed at 10:10 - 10:25, 11:35 - 11:55, and 12:05-12:15 so that Members could respond to votes on the House Floor.

Mr. Bedell chaired the meeting from 12:15 until it was adjourned at 1:00 p.m. to reconvene at 10:00 on October 18 to hear further testimony on H.R. 5110 and H.R. 5546.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, October 18, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: Food Stamp Program

Bill Nos. H.R. 4318; H.R. 5057

The Domestic Marketing, Consumer Relations, and Nutrition (Sub) Committee met in open Session at 9:45 o'clock, in Room 1301.

The following Members were present:

	Members Also Present:	
Mr. Richmond	Mr. Findley	Mr.
Mr. Panetta	Mr. Jeffords	Mr.
Mr. Nolan	Mr. Hagedorn	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Akaka	Mr.	Mr.
Mr. Harkin	Mr.	Mr.
Mr. Symms	Mr.	Mr.
Mr. Grassley	Mr.	Mr.
Mr. Wampler	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Kramer, Special Counsel
Gary L. Norton, Assistant Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Joe Crapa, Subcommittee Staff Consultant
Glenda Knight, Staff Assistant
Anita Brown, Staff Assistant
Mary Jarratt, Staff Assistant
Ann Cole, Staff Assistant

Witnesses:

1. The Honorable Bob Bergland, Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C.

   Acc. by: Ms. Carol Tucker Foreman, Assistant Secretary for Food and Consumer Services, USDA.

   Mr. Robert Greenstein, Administrator, Food and Nutrition Service, USDA.

   Mr. Thomas McBride, Inspector General, USDA.

   Mr. David de Ferranti, Director of Policy, Planning, and Evaluation, Food and Nutrition Service, USDA.

Statements Filed:

None

Thursday, October 18, 1979
Domestic Marketing, Consumer
Relations and Nutrition Subcommittee
Public Hearing
Food Stamp Program
H.R. 5057

Chairman Richmond called the meeting to order and recognized Secretary Bergland for his prepared statement on food stamp legislation. Following presentation of his testimony, the Secretary and the Departmental representatives accompanying him were questioned by the Members.

At 12:18 p.m. the meeting was adjourned to reconvene at 9:30 a.m. on Tuesday, October 30, to receive additional testimony on the proposed legislation.

Glenda Temple

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, October 18, 1979

(Sub) Committee on Livestock and Grains

Meeting: Public Hearing

Subject: Supervision of weighing of inbound grain at export elevators

Bill Nos. H.R. 5110, H.R. 5546

The Livestock and Grains (Sub) Committee met in Open Session at 10:05 A.M o'clock, in Room 1302 LHOB.

The following Members were present:

Mr. Rose	Mr. Sebelius	Mr.
Mr. Daschle	Mr. Hagedorn	Mr.
Mr. Stenholm	Mr.	Mr.
Mr. de la Garza	Mr.	Mr.
Mr. Fithian	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Jones, Tenn.	Mr.	Mr.
Mr. Nolan	Mr.	Mr.
Mr. Baldus	Mr.	Mr.
Mr. Hance	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Fowler E. West, Staff Director
Eugene Moos, Staff Analyst
Bob Franks, Associate Counsel
Claude Freeman, Subcommittee Staff Consultant
Jerry Jorgensen, Staff Assistant
John Bailey, Staff Assistant
Kathy Harris, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

Mr. George Lipscomb, Director, Weighing Division, Federal Grain Inspection Service, USDA, was in audience to respond to questions

1. Mr. William F. Brooks, National Grain Trade Council, Washington, D.C.

2. Mr. Max Spencer, Vice President, Operations and Engineering, Continental Grain Company, New York, New York

3. Mr. Woodrow Hart, South Texas Cotton and Grain Association, Victoria, Texas

4. Mr. Darwin Luedtke, West Bend Elevator Company, West Bend, Iowa

5. Mr. John Case, President, Minneapolis Grain Exchange, Minneapolis, Minnesota
   Accompanied by: Dr. Al Donahoo, Executive Vice President

6. Mr. John Healy, Northwest Terminal Elevator Associaiton, Minneapolis, Minnesota
   Accompanied by: Mr. John Gwin, Manager, Grain Procurement, International Multifoods, Minneapolis, Minnesota

7. Mr. Reuben Johnson, National Farmers Union, Washington, D.C.

Statements Filed:

Letter from Mr. Robert Adamek, Executive Secretary, Minnesota Farmers Elevator Association

Thursday, October 18, 1979
Subcommittee on Livestock and Grains
Public Hearing
Supervision of weighing of inbound grain at export elevators
H.R. 5110, H.R. 5546

Chairman Rose called the meeting to order and recognized the witnesses in the order listed on page two. Following their testimony, they were questioned by Members of the Subcommittee as appearing in the record.

The Subcommittee recessed at 10:30 for ten minutes to allow Members to respond to a vote on the House Floor.

Mr. Sebelius asked that Mr. Luedtke's statement be forwarded to the Department of Agriculture for comments, and his request was granted.

The meeting was adjourned at 12:25 to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Friday, October 19, 1979

(Sub) Committee on Conservation and Credit

Meeting: Public Hearing

Subject: To review Farmers Home Administration's emergency loan program

Bill Nos. NONE

The Conservation and Credit (Sub) Committee met in Open Session at 9:40 a.m. o'clock, in Room 1302 LHOB

The following Members were present:

				ALSO PRESENT	
Mr.	Jones, Tenn.	Mr.	Madigan	Mr.	Coelho
Mr.	Harkin	Mr.	Jeffords	Mr.	Thomas
Mr.	Huckaby	Mr.	Coleman	Mr.	
Mr.	Glickman	Mr.	Marlenee	Mr.	
Mr.	Hance	Mr.	Hopkins	Mr.	
Mr.	Baldus	Mr.		Mr.	
Mr.	Bedell	Mr.		Mr.	
Mr.	Panetta	Mr.		Mr.	
Mr.	Daschle	Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.			

Staff present:

Fowler C. West, Staff Director
Bernard Brenner, Press Secretary
Bob Franks, Associate Counsel
Bob Cashdollar, Staff Assistant
Jim Johnson, Staff Assistant
Wayne Fletcher, Staff Assistant
Kate Garvin, Legal Intern
Peggy Pecore, Staff Assistant

Witnesses:

1. Honorable Norman D. Shumway, Member of Congress from California.

2. U.S. Department of Agriculture

   Ms. Henrietta Singletary, Deputy Assistant Secretary for Rural Development
   Mr. Thomas McBride, Inspector General
   Mr. Gordon Cavanaugh, Administrator, Farmers Home Administration
   Mr. Allan Brock, Deputy Administrator, Farm and Family Programs, Farmers Home Administration

3. Mr. Henry Eschwege, Director, Community and Economic Division, General Accounting Office
   accompanied by: Mr. Richard Hart, Team Director
   Mr. Tex Simmons, Team Member

4. Mr. Myron M. Sigaty, Vice President, Real Estate Investment Department, Travelers Insurance Company

5. Mr. Bill Ahlem, Jr., California Farm Bureau
   accompanied by: Mr. Ivan Brand, Director

6. Mr. Larry Carter, Stanislaus County Farm Bureau, California,
   accompanied by: Mr. Greg Petz
   Mr. Rolland Starn
   Mr. Roy Johnson

7. Mr. Herb Spitzer, farmer, Kern County, California

8. Mr. Warren Carter, farmer, Kern County, California

Statements Filed:

Photographs of hail damage in Texas, by Honorable Kent Hance, Member of Congress from Texas

Letter from Mr. Arnold Kuschennan, King Pak Farms, Inc., Edison, Calif.

Friday, October 19, 1979
Subcommittee on Conservation and Credit
Public Hearing
To review Farmers Home Administration emergency loan program

Chairman Jones called the meeting to order and recognized witnesses in the order listed on page two. Following their prepared testimony, they responded to questions from Members of the Subcommittee.

Messrs Sigaty, Ahlem, and Carter were introduced by Congressman Coelho, and Messrs Spitzer and Carter were introduced by Congressman Thomas.

The Subcommittee recessed at 10:05 for fifteen minutes to enable Members to respond to rollcall votes on the House Floor.

Chairman Jones adjourned the meeting at 1:15 p.m. to reconvene subject to the call of the chair.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date October 20, 1979

(Sub) Committee on Conservation & Credit

Meeting: Public Hearing

Subject: Farm Credit Act Amendments and Review of Conservation Programs

Bill Nos. H.R. 4782

The Conservation and Credit (Sub) Committee

met in public Session at 9:30 o'clock, in Room Student Union Spokane Falls Community College Spokane, Wash.

The following Members were present:

Mr. Foley	Mr.	Mr.
Mr. Jones of Tennessee	Mr.	Mr.
Mr. Marlenee	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Bob Cashdollar
Wayne Fletcher

Action taken:

Witnesses:

SEE ATTACHED LISTS

Statements Filed:

NONE

1. Mr. Eugene C. Davis
   Board Chairman
   Federal Intermediate Credit Bank of Bruneau
   Bruneau, Idaho 83604

2. Mr. Howard Wuertz
   Chairman
   Farm Credit Board of Sacramento
   Rt. 1, Box 115A
   Coolidge, Arizona 85228

   (602) 723-3788

3. Mr. Ross H. Larson
   Box 68
   Selah, Washington 98942

4. Mr. Rich Pennell
   North Pacific Grain Growers
   Portland, Oregon

   (503) 221-1660

5. Mr. Ronald Watkins
   President
   North Pacific Grain Growers
   1 S.W. Columbia
   Suite 600
   Portland, Oregon 97258

   (503) 221-1660

6. Mr. Melvin A. Ensley
   R. 201 Thorn
   Colfax, Washington 99111

   (509) 397-2125

7. Mr. Dwyte Wilson
   Executive Vice President
   Oregon-Washington Farmers Union
   10453 Fourth Plain Blvd., N.E.
   Vancouver, Washington 98662

   (206) 256-8940

8. Mr. Maurice W. Sanders
   2950 E. 12th
   Emmett, Idaho 83617

   (208) 365-2440

9. Mr. Frank Niessner
   Star Route 1
   Royal City, Washington 99357

10. Mr. Chester P. Peterson and
Mr. Colmar Peterson
(representing) Southwest Washington Production Credit Association
Peterson & Sons Seafoods, Inc.
P. O. Box 399
South Bend, Washington 98586

(206) 875-6596

11. Mr. Roy Gunnarri
Southern Oregon Production Credit Association
Rt. 2, Box 692-F
Coos Bay, Oregon 97420

(503) 888-5389

12. Mr. Delbert R. Wisdom
Walla Walla Production Credit Association
Mesa, Washington 99343

(509) 269-4465

13. Mr. Marvin Tade
Box 253
Scobey, Montana 59263

14. Mr. Lawrence E. Peterson
Rt. 1, Box 44
Almira, Washington 99103

(509) 639-2245

15. Dr. Karl Kottman
Executive Secretary
Washington State Council of Farmer Cooperatives
Box 7267
Olympia, Washington 98507

(206) 357-4616

16. Mr. Dan Black
Bean Growers Warehouse Co.
548 Blue Lakes Blvd.
P. O. Box 604
Twin Falls, Idaho 83301

(208) 733-7133

17. Mr. Gordon Tate
President
Idaho State Grange
Box 367
Meridian, Idaho 83642

18. Mr. Robert Thompson
Diamond Fruit Growers
P. O. Box 180
Hood River, Oregon 97031

(503) 386-3111

19. Mr. Dixie Riddle
Inland Farmers
2625 Trent Avenue
Spokane, Washington 99202

(509) 534-2608

20. Mr. Delbert Moore
Farmer
Colfax, Washington 99111

21. Mr. E. J. Hoffman
Manager
Whitman County Growers, Inc.
P. O. Box 151
Colfax, Washington 99111

22. Mr. Richard Wilcox
Secretary
Oregon Cooperative Council
Box 13467, SE Kanne
Gresham, Oregon 97030

(503) 761-3948

23. Mr. Albert J. Treiber
Ephrata, Washington 98823

24. Mr. Robert Stuhlmiller
Washington State Farm Bureau
Rt. 1, Box 36
Edwall, Washington 99008

(509) 796-3575

25. Mr. Dick Graves
Valley Trout Farms, Inc.
Buhl, Idaho 83316

26. Mr. David E. Williams
President
California NAFEC
Star Route, Box 1-G
Corning, California 96021

(916) 824-3095

27. Mr. Charles W. O'Neill, Jr.
President
State Association of Conservation Districts of Washington

Off: (206) 352-1388 Home: (206) 357-6162

28. Mr. Dave Wyckoff
Box 2676
Prosser, Washington 99350

29. Mr. Don Thompson
Farmer
Rt. 1, Box 56
Moro, Oregon 97039

(503) 565-3576 or 565-3585

30. Mr. Jack DeWitt
Waitsburg, Washington 99361

(509) 529-5740

31. Mr. Eddie Johnson
Washington Wheat Growers
Wilbur, Washington 99185

(509) 647-5490

32. Mr. Glenn L. Dobbins
Rt. 2, Box 84
Cheney, Washington 99022

(509) 299-3607

33. Mr. Gordon Tate

34. Mr. Scott Barr
State Representative
7th District
Spokane, Washington

35. Mr. William Rugby
President
Utah Association of Farmer-Elected Committeemen
1616 N. Main
Centerville, Vermont 84014

(801) 292-0245

Saturday, October 20, 1979
Subcommittee on Conservation and Credit
Public Hearing, Spokane, Washington
H.R. 4782, Farm Credit Act Amendments
of 1979 and Review of Conservation
Programs

Chairman Jones (Tenn.) called the meeting to order at 9:30 A.M. for the purpose of hearing and questioning witnesses listed on pages 2, 3, 4, and 5 of these minutes.

At 4:00 P.M. the hearing was adjourned.

Bob Cashdollar

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, October 24, 1979

(Sub) Committee on Dairy and Poultry

Meeting: Public Hearing

Subject: Casein Impact on Dairy Industry

Bill Nos.

The Dairy and Poultry (Sub) Committee met in open Session at 10:00 o'clock, in Room 1302

The following Members were present:

Mr.	Baldus	Mr.		Mr.	
Mr.	Rose	Mr.		Mr.	
Mr.	Coelho	Mr.		Mr.	
Mr.	Stenholm	Mr.		Mr.	
Mr.	Jeffords	Mr.		Mr.	
Mr.	Hagedorn	Mr.		Mr.	
Mr.	Hopkins	Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.			
Mr.		Mr.			

Staff present:

Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Jim Culver, Staff Assistant
Al Zepp, Subcommittee Staff Consultant
Roger Allbee, Staff Assistant

Witnesses:

1. Hon. Floyd Fithian, Member of Congress from Indiana.

2. Mr. Patrick B. Healy, Secretary, National Milk Producers Federation, Washington, D.C.

3. Hon. Thomas E. Petri, Member of Congress from Wisconsin.

4. Dr. Albert J. Ortego, Vice President for Marketing, Dairymen, Inc., Louisville, Kentucky.

5. Mr. William R. Boardman, Executive Vice President, Dairy Farmers, Inc., Orlando, Florida.

6. Dr. Larry L. Claypool, Vice President, Research and Quality Control Services, Mid-America Dairymen, Inc., Springfield, Mo.

7. Mr. Douglas J. Caruso, representing National Farmers Union, Madison, Wisconsin.

   Acc. by: Ms. Evelyn Cunico, representing Farmers Union Milk Market Cooperative, Madison, Wisconsin.

8. Mr. James P. "Tom" Camerlo, Jr., President, Western Dairymen Co-ops, Inc., Florence, Colorado.

9. Dr. Warren S. Clark, American Dry Milk Institute, Chicago, Illinois.

10. Dr. Truman F. Graf, Department of Agricultural Economics, University of Wisconsin, Madison, Wisconsin.

11. Mr. Irvin J. Elkin, President, Associated Milk Producers, Inc., San Antonio, Texas.

    Acc. by: Mr. Donald F. Gregg
    Mr. Ira Rutherford

12. Mr. Bob Morford, Texas Cattle Feeders Association, Abilene, Texas.

Statements Filed:

1. Hon. Bill Alexander, Member of Congress from Indiana.

2. Hon. Charles Rose, Member of Congress from North Carolina.

3. Mr. Larry D. Unlauf, Vice President, Corporate Affairs, Pet, Inc., St. Louis, Mo.

4. Mr. Burton Eller, Director, Animal Health, National Cattlemens Association, Washington, D.C.

Wednesday, October 24, 1979
Subcommittee on Dairy and Poultry
Public Hearing
Casein Impact on Dairy Industry

Chairman Baldus called the meeting to order and made a brief opening statement on the need for the hearings. He recognized the witnesses listed on page 2 of these minutes for their prepared testimony on the impact of casein on the dairy industry. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

During the proceedings two recesses were taken at 11:30 a.m. and 12:10 p.m. to enable Members to respond to recorded votes on the House floor. At 1:00 p.m. the meeting was adjourned to reconvene at 2:00 p.m. this date to hear additional witnesses on the above-titled subject.

Glenda Temple

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, October 24, 1979

(Sub) Committee on Dairy and Poultry

Meeting: Public Hearing

Subject: Impact of casein imports on the U.S. Dairy Industry

Bill Nos. NONE

The Dairy and Poultry (Sub) Committee met in Open Session at ~~2:00 p.m.~~ o'clock, in Room 1302 LHOB.

The following Members were present:

Mr. Baldus, Chairman	Mr.	Mr.
Mr. Jeffords	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Al Zepp, Subcommittee Staff Consultant
Roger Allbee, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Mr. George Dunsmore, Deputy Commissioner, Vermont Department of Agriculture, Montpelier, Vermont

2. Mr. James Reeves, President, Committee to Assure the Availability of Casein, Dallas, Texas
   accompanied by: Mr. Max Berry (CAAC)
   Dr. George Muck, Vice President for Research and Development, Dean Food Co., Rockford, Illinois

3. Panel:

   Mr. J.D. Halsell, Director of Purchasing, Olinkraft, Inc., West Monroe, La.
   Mr. William J. Merrick, President, Merrick Foods, Middleton, Wis.
   Mr. Morris Kraut, American Feeds and Livestock Co., Carpentersville, Ill.

4. Panel:

   Dr. Jerry Moore, Vice President for Nutritional Research, Meade-Johnson, Evansville, Ind.
   Mr. Michael Irwin, Universal Foods Corporation, Milwaukee, Wis.
   Mr. Dave Nusbaum, L.D. Schreiber Cheese Company, Green Bay, Wis.

5. Panel:

   Mr. Charles L. Kantner, V.P., Purchasing, Fisher Cheese Company, Wapakoneta, Ohio
   Mr. Raymond Viault, General Foods Corp., White Plains, N.Y.
   Mr. A. G. Reisenbigler, President, Erie Casein Co. Inc., Erie, Ill.

6. Panel:

   Mr. A. G. Victor, President, Western Dairy Products, San Francisco, Calif.
   Mr. Bruce Stuart, President, New Zealand Milk Products, Inc., Rosemont, Ill., accompanied by:
   Mr. Edward J. Farrell, Counsel
   Mr. A. Richard DeFelice, Australian Dairy Corporation, Washington, D.C

Statements Filed:

Mr. A. G. Reisenbigler's testimony and attachments given at International Trade Commission hearings, October 4, 5, 1979

Wednesday, October 24, 1979 - P.M.
Subcommittee on Dairy and Poultry
Public Hearing
Impact of casein imports on the
U.S. Dairy Industry

Chairman Baldus called the meeting to order and recognized the witnesses listed on page two for their prepared testimony. After each witness was heard, he was questioned by Members of the Subcommittee.

During the hearing, the Subcommittee recessed for two-10 minute periods so that Members could respond to votes on the House Floor.

Chairman Baldus adjourned the meeting at 4:40 p.m. to reconvene subject to the call of the chair.

Peggy L. Pecore

Peggy L. Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, October 30, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: Food Stamp Program

Bill Nos. H.R. 4318, H.R. 5057

The Domestic Marketing, Consumer Relations, and Nutrition (Sub) Committee met in Open Session at 9:40 a.m. o'clock, in Room 1301 LHOB

The following Members were present:

		ALSO PRESENT:
Mr. Richmond	Mr. Symms	Mr. Hance
Mr. Panetta	Mr. Grassley	Mr. Jeffords
Mr.	Mr.	Mr. Kelly
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

John Kramer, Special Counsel
John Hogan, Counsel
Bob Franks, Assistant Counsel
Joe Crapa, Subcommittee Staff Director
Anita Brown, Staff Assistant
Mary Jarrett, Staff Assistant
Glenda Knight, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Honorable Richard Kelly, Member of Congress from Florida

2. Honorable James M. Jeffords, Member of Congress from Vermont

3. Honorable Kent Hance, Member of Congress from Texas

4. Mr. Emil M. Sunley, Deputy Assistant Secretary for Tax Policy (Tax Analysis), U.S. Department of the Treasury

5. Monsignor William B. O'Brien, President, Daytop Village, Inc., New York, New York

6. Panel:

   Mr. Henry Eschwege, Director, Community and Economic Development Division, General Accounting Office,
   accomapnied by: Mr. Richard Boland

   Mr. Doug Westbrook, Trial Attorney, Criminal Division, U.S. Department of Justice, for Mr. Robert Keuch, Deputy Assistant Attorney General
   accompanied by: Mr. Jack Perkins, Trial Attorney, Office of Legislative Affairs

   Ms. Margaret Gates, Deputy Inspector General, U.S. Department of Agriculture,
   accompanied by: Mr. Gary Tucker, Food Stamp Division, Office of Inspector General

Statements Filed:

NONE

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Tuesday, October 30, 1979
Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition
Public Hearing
Food Stamp Program
H.R. 4318, H.R. 5057

Chairman Richmond called the meeting to order and recognized the witnesses listed on page two for their prepared testimony and responses to questions from Members of the Subcommittee and Mr. Jeffords.

The meeting was adjourned at 11:45 a.m. to reconvene at 9:30 a.m. on Wednesday, October 31, 1979, to receive additional testimony on the pending legislation.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, October 30, 1979

(Sub) Committee on Livestock and Grains

Meeting: Public Hearing

Subject: Erratic price movements in cattle and meat markets

Bill Nos. _____

The Livestock and Grains (Sub) Committee

met in open Session at 10:00 o'clock, in Room 1302

The following Members were present:

Mr. Rose	Mr.	Mr.
Mr. Bedell	Mr.	Mr.
Mr. English	Mr.	Mr.
Mr. Daschle	Mr.	Mr.
Mr. Stenholm	Mr.	Mr.
Mr. de la Garza	Mr.	Mr.
Mr. Fithian	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Jones (Tenn.)	Mr.	Mr.
Mr. Baldus	Mr.	Mr.
Mr. Hance	Mr.	Mr.
Mr. Sebelius	Mr.	Mr.
Mr. Johnson	Mr.	Mr.
Mr. Symms	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Bob Bor, Chief Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Gene Moos, Staff Analyst
Kate Garvin, Staff Assistant
Claude Freeman, Subcommittee Staff Consultant
Kathy Harris, Staff Assistant
John Bailey, Staff Assistant

Witnesses:

1. Honorable Neal Smith, Member of Congress from Iowa.

   Acc. by: Mr. Nick Wultich, Investigator.
   Mr. John Helmuth, Staff Assistant.
   Mr. John Fitzgibbons, Special Counsel, Small Business Committee.

2. Mr. Blake Imel, Deputy Chief Economist, Commodity Futures Trading Commission, Washington, D.C.

   Acc. by: Mr. Mark Young, Office of General Counsel.
   Mr. Robert Clark, Director of the Central Regional Office, Chicago.
   Mr. David Kass, Chief of Surveillance, Chicago.

3. Mr. Clayton Yeutter, President, Chicago Mercantile Exchange, Chicago, Illinois.

   Acc. by: Mr. Michael D. Weiner, Vice President, Law and Compliance.

4. Mr. Bob Peterson, President, Iowa Beef Processors, Dakota City, Nebraska.

5. Mr. William Eastwood, Executive Vice President, Spencer Foods, Inc., Spencer, Iowa.

   Acc. by: Mr. Eugene M. Wailich.
   Mr. Richard H. Magnuson.

6. Ms. Barbara Schlei, Administrator, Agricultural Marketing Service, U.S. Department of Agriculture.

   Acc. by: Mr. Paschal Drakg, Deputy Administrator, Packers and Stockyards Administration, USDA.
   Mr. Richard Davis, Director, Packers and Stockyards Division, Office of General Counsel, USDA.

Statements Filed:

None

Tuesday, October 30, 1979
Livestock and Grains Subcommittee
Public Hearing
Erratic price movements in cattle and meat markets

Chairman Rose called the meeting to order and made a brief opening statement on the need for the hearings. The witnesses listed on page 2 of these minutes were recognized for their prepared testimony. Following their discussion of erratic price movements in the cattle and meat markets during late July and August 1979, the witnesses were questioned by the Members of the Subcommittee. The Iowa Beef Processors were asked to submit additional information for review by the Subcommittee.

During the proceedings two recesses were taken at 12:10 p.m. and 1:00 p.m. to enable Members to respond to recorded votes on the House floor. At 2:05 p.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, October 31, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: Food Stamps

Bill Nos. H.R. 4318; H.R. 5057

The ~~Domestic Marketing, Consumer Relations, and Nutrition~~ (Sub) Committee met in open Session at 9:30 o'clock, in Room 1301.

The following Members were present:

		Members Also Present:	
Mr.	Richmond	Mr. Jones (Tenn.)	Mr.
Mr.	Nolan	Mr.	Mr.
Mr.	Glickman	Mr.	Mr.
Mr.	Heckler	Mr.	Mr.
Mr.	Wampler	Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	Mr.
Mr.		Mr.	
Mr.		Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
John Kramer, Special Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Anita Brown, Staff Assistant
Glenda Knight, Staff Assistant
Mary Jarratt, Staff Assistant
Ann Cole, Staff Assistant

Witnesses:

1. Panel of recipients:

   Ms. Barbara Evans, Macon, Georgia
   Ms. LaNelle Ward, Atlanta, Georgia
   Ms. Annie Belle Davis, Tiptonville, Tennessee
   Ms. Sharon Mooers, Children's Foundation, Washington, D.C.

2. Reverend George A. Chauncey, Chairman, Interreligious Task Force on U.S. Food Policy, Washington, D.C.

3. Mr. Kevin Aslanian, President, Welfare Recipients League, San Jose, California.

4. Mr. Charles P. Sabatino, Arlington County Legal Aid Society, Arlington, Virginia.

5. Panel of State Directors of Social Welfare

   Dr. John J. Affleck, Director, Rhode Island Department of Social and Rehabilitative Services and Chairman, National Council of State Public Welfare Administrators, Cranston, Rhode Island.
   Dr. John T. Dempsey, Director, Michigan Department of Social Services, representing the National Council of State and Public Welfare Administrators of the American Public Welfare Association, Lansing, Michigan.
   Ms. Gladys McCorkhill, Director, Bureau of Income Maintenance, Washington State Department of Social and Health Services, Olympia, Washington.
   Mr. John Pratt, Commissioner of the Commonwealth of Massachusetts, on behalf of the National Council of State Public Welfare Administrators of the American Public Welfare Association, Boston, Massachusetts.
   Mr. Robert C. Harder, Secretary, Kansas State Department of Social and Rehabilitative Services, Topeka, Kansas.

(Continued)

Statements Filed:

None

Wednesday, October 30, 1979
Domestic Marketing, Consumer Relations, and Nutrition Subcommittee
Public Hearing
Food Stamps
H.R. 4318; H.R. 5057

Witnesses Continued:

6. Panel of County Officials

Mr. Louis Heimbach, County Executive, Orange County, Goshen, New York.
Mr. James Edmunds, Director, Department of Welfare, Ramsey County, St. Paul, Minnesota.
Acc. by: Mr. Ronald Gibbs, Associate Director, National Association of Counties, Washington, D.C.

Chairman Richmond called the meeting to order and recognized the witnesses listed on pages 2 and 3 of these minutes for their prepared testimony on proposed food stamp legislation. Following presentation of their statements, the witnesses were questioned by the Members of the Subcommittee.

The following special introductions were made: Mr. Jones (Tenn.) introduced Ms. Davis; Mrs. Heckler introduced Mr. Pratt; and Mr. Glickman introduced Mr. Harder.

At 12:20 p.m. the meeting was adjourned, to reconvene on Thursday, November 1, at 9:30 a.m.

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, November 1, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Public Hearing

Subject: Food Stamp Program

Bill Nos. H.R. 4318, H.R. 5057 and related bills

The Domestic Marketing, Consumer Relations, and Nutrition (Sub) Committee met in Open Session at 9:35 a.m. o'clock, in Room 1301 LHOB.

The following Members were present:

Mr. Richmond	Mr. Symms	Mr.
Mr. Panetta	Mrs. Heckler	Mr.
Mr. Harkin	Mr. Grassley	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Joe Crapa, Subcommittee Staff Director
Anita Brown, Staff Assistant
Mary Jarrett, Staff Assistant
Ann Cole, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

1. Honorable Barbara Blum, Commissioner, New York State Department of Social Services, Albany, New York
   accompanied by: Mr. John Frederick, Director, Food Stamp Program

2. Honorable Stanley Brezenoff, Administrator, Human Resources Administration, City of New York, New York

3. Ms. Betty Duskin, Director of Research, National Council of Senior Citizens, Washington, D.C.

4. Ms. Ellen Haas, Vice President, Community Nutrition Institute, Washington, D.C., accompanied by: Mr. Bard D. Shollenberger, Director, Hunger Action Division

5. Panel of State Food Stamp Directors:

   Dr. Leland Hall, for National Council of Public Welfare Administrators' Food Stamp Committee; President, American Association of Food Stamp Directors, Lansing, Mich.
   accompanied by: Ms. Rikki Baum, American Welfare Association

   Ms. Mary Eldred, Chief, Bureau of Food Stamps, Iowa Department of Social Services, Des Moines, Iowa

   Mr. Fred Lacey, Chief, Food Stamp Program Management Branch, California Department of Social Services, Sacramento, California

   Mr. John Frederick, Director, Food Stamp Program (see witness #1)

6. Mr. Arnold Mayer, Director of Government Affairs, United Food and Commercial Workers International Union, Washington, D.C.

Statements Filed:

Mr. Robert M. Teets, Jr., Food Law Center of California Rural Legal Assitance, San Francisco, California

Thursday, November 1, 1979
Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition
Public Hearing
Food Stamp Program
H.R. 4139, H.R. 5057, and related bills

Chairman Richmond called the meeting to order and recognized the witnesses in the order listed on page two. Following their prepared testimony, they responded to questions from Members of the Subcommittee.

Ms. Eldred was introduced by Congressman Harkin, and Mr. Lacey was introduced by Congressman Panetta.

The meeting was adjourned at 12 noon to reconvene on Wednesday, November 7, for the purpose of marking up food stamp legislation.

Peggy Pecore

Peggy Pecore

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Friday, November 2, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Agricultural Land Protection Act; Forestry Loan Ac

Bill Nos. H.R. 2551; H.R. 4718

The Full (~~Sub~~) Committee

met in open Session at 9:30 o'clock, in Room 1301

The following Members were present:

Mr.	Foley	Mr.	Hance	Mr.	Wampler
Mr.	de la Garza	Mr.	Anthony	Mr.	Sebelius
Mr.	Jones (Tenn.)	Mr.	Stenholm	Mr.	Jeffords
Mr.	Rose	Mr.		Mr.	Grassley
Mr.	Nolan	Mr.		Mr.	Hagedorn
Mr.	Weaver	Mr.		Mr.	Hopkins
Mr.	Baldus	Mr.		Mr.	Thomas
Mr.	Harkin	Mr.		Mr.	
Mr.	English	Mr.		Mr.	
Mr.	Fithian	Mr.		Mr.	
Mr.	Panetta	Mr.		Mr.	
Mr.	Skelton	Mr.		Mr.	
Mr.	Huckaby	Mr.		Mr.	
Mr.	Glickman	Mr.		Mr.	
Mr.	Akaka	Mr.			
Mr.	Whitley	Mr.			

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Gary Norton, Assistant Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Kate Garvin, Staff Assistant
Jim Swiderski, Subcommittee Staff Consultant
Steve Adams, Staff Assistant

Witnesses:

None

Statements Filed:

None

Friday, November 2, 1979
Full Committee
Business Meeting
Agricultural Land Protection Act;
Forestry Loan Act
H.R. 2551; H.R. 4718

Action taken:

-- Jones (Tenn.) motion to discharge the Subcommittee on Conservation and Credit from further consideration of the Forestry Loan Act of 1979, H.R. 4718, approved without objection.

-- By show of hands vote of 15 yeas-4 nays Glickman motion to table Grassley motion to refer H.R. 2551 to Subcommittee approved.

Acting Chairman Jones (Tenn.) called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. Jones (Tenn.)
2. Mr. Nolan
3. Mr. Baldus
4. Mr. Harkin
5. Mr. English
6. Mr. Fithian
7. Mr. Panetta
8. Mr. Huckaby
9. Mr. Glickman
10. Mr. Akaka
11. Mr. Anthony
12. Mr. Stenholm
13. Mr. Wampler
14. Mr. Sebelius
15. Mr. Jeffords
16. Mr. Hopkins

Sixteen Members having responded a one-third quorum was established pursuant to previous notice under Committee rules.

Mr. Nolan, Chairman of the Subcommittee on Family Farms, Rural Development, and Special Studies, was recognized to explain the provisions of H.R. 2551, the Agricultural Land Protection Act of 1979. Mr. Jeffords, the author of the legislation, explained the need for the legislation. Discussion occurred.

Chairman Foley recognized Mr. Jones (Tenn.), Chairman of the Subcommittee on Conservation and Credit for a motion. Mr. Jones asked unanimous consent that the Subcommittee on Conservation and Credit be discharged from further consideration of the bill, H.R. 4718, the Forestry Loan Act of 1979, as reported by the Subcommittee on Forests, without relinquishing or diminishing the Subcommittee's jurisdictional interest. Without objection the motion was agreed to.

Discussion continued on the Agricultural Land Protection Act. Mr. Grassley moved that the legislation be referred to the

Friday, November 2, 1979
Full Committee
Business Meeting
Agricultural Land Protection Act;
Forestry Loan Act
H.R. 2551; H.R. 4718

Subcommittee on Department Investigations, Oversight, and Research for consideration. Mr. Glickman made a preferential motion to table the Grassley motion. By a voice vote the Glickman motion to table was adopted. Mr. Grassley requested a division vote and the Glickman motion was approved by a show of hands vote of 15 yeas-4 nays. Mr. Grassley requested a recorded vote and 4 Members (an insufficient number) voted to support the request.

Discussion continued on the legislation. Chairman Foley offered the attached substitute amendment and discussion occurred.

Mr. Grassley made a point of order that the House was considering amendments under the five-minute rule and the Committee did not have permission to sit. At 10:55 a.m. the meeting was adjourned to reconvene on Thursday, November 8, at which time the pending business of the Committee will be further consideration of H.R. 2551, along with H.R. 5523, pertaining to extra long staple cotton, and H.R. 4718, the Forestry Loan Act, with the one-third quorum rule to be in effect.

Glenda Temple

AMENDMENT BY MR. FOLEY TO H.R. 2551
AGRICULTURAL LAND PROTECTION ACT

Page 2, line 3, strike out all after the enacting clause and insert in lieu thereof the following:

SHORT TITLE

Sec. 1. This Act may be cited as the "Agricultural Land Protection Act".

TITLE I--INTERGOVERNMENTAL COOPERATION

Sec. 101. It is the policy of the Congress to foster cooperation among Federal, State and units of local government in making decisions which will have a significant and direct effect of converting agricultural land to non-agricultural uses; and it is further the policy of the Congress that, in making decisions on projects or programs which will have such result, all agencies of the Federal Government, to the fullest extent practicable, should establish procedures for giving notice to each State and unit of local government with jurisdiction over such land.

TITLE II--AGRICULTURAL LAND PROTECTION STUDY AND REPORT

STUDY

Sec. 201. It shall be the duty of the Secretary to--

(1) develop, gather, and make available such information as may be necessary to allow States and units of local government to make informed decisions concerning agricultural land; and

(2) conduct a comprehensive study of--

(A) the quantity, quality, location, availability, ownership, and financing of agricultural land in the United States;

(B) the relationship of such land to the supply, demand, and production of food;

(C) the relationship between the national concern for agri-

cultural land and other national concerns (including energy, the economy, the environment, population growth, urban growth and development, foreign relations and trade, and humanitarian aid);

(D) the effects of urbanization, industrial development, and other nonagricultural activities (including air and water pollution, soil contamination, and losses due to theft, trespassing, and vandalism) on agricultural land, including the productivity of such land;

(E) the effects of existing Federal laws or regulations on the use of agricultural land, including the productivity of such land;

(F) the effects of variable and unpredictable factors (including climate, agricultural technology, air pollution, genetic vulnerability, availability of future supplies of energy and fertilizer, and soil salinity) on productivity of agricultural land;

(G) the effects of competition for water between agricultural and nonagricultural users; and

(H) methods of protecting and improving agricultural land, especially in and around urban areas, including an analysis of the relative costs and benefits of such methods.

REPORT

Sec. 202. The Secretary shall prepare and transmit to the President, the Committee on Agriculture of the House and Committee on Agriculture, Nutrition, and Forestry of the Senate, not later than April 1, 1985, an analysis of the demonstration projects required by title III of this Act. Such report shall include findings and recommendations of the Secretary concerning Federal policies, programs, regulations, laws and activities which affect

the quantity or quality of agricultural land in the United States. In preparing such report, the Secretary shall hold public hearings and invite public comment on such study.

ASSISTANCE OF FEDERAL DEPARTMENTS AND AGENCIES

Sec. 203. The President may direct the administrative heads of other Federal Departments or Agencies to assist the Secretary in conducting the study and preparing the report requested by this title.

IMPLEMENTATION OF RECOMMENDATIONS

Sec. 204. The Secretary shall assist Federal Departments and Agencies in developing such procedures as may be appropriate to implement such recommendations as may result from the National Agricultural Lands Study and the report required by this title.

USE OF EXISTING PERSONNEL AND FACILITIES

Sec. 205. In carrying out the provisions of this title the Secretary may use the personnel and facilities involved in the National Agricultural Lands Study.

TITLE III--DEMONSTRATION PROGRAM AND TECHNICAL ASSISTANCE

PROGRAM ESTABLISHMENT

Sec. 301. (a) The Secretary shall develop, in consultation with the National Agricultural Lands Study and interested State and local units of government, and administer a program

which will provide financial assistance to States and units of local government for the purpose of demonstrating, and testing methods of reducing the quantity of agricultural land (including agricultural land in and around urban areas) being converted from agricultural uses to nonagricultural uses.

(b) Assistance provided under this title shall be subject to such fiscal control and fund accounting procedures as the Secretary determines are reasonable and consistent with the objectives of this Act.

APPLICATION

Sec. 302. Any State or unit of local government interested in obtaining assistance for a project developing, demonstrating, or testing a method of reducing the quantity of agricultural land being converted from agricultural uses to nonagricultural uses may submit to the Secretary an application at such time, in such form, and containing such information as the Secretary may, by rule, require.

APPROVAL OF APPLICATIONS

Sec. 303. (a) The Secretary shall establish and publish in the Federal Register criteria on the basis of which applicants will be selected to receive assistance under this title. Such criteria shall give priority to applications under which the Secretary is satisfied will provide--

(1) timely and new information useful to the Secretary in carrying out the duties under this Act at a reasonable cost; and

(2) a range of projects to study in terms of geographical locations and methods of reducing the quantity of agricultural land being converted from agricultural uses to nonagricultural uses.

(b) The Secretary may not--

(1) approve applications for projects which will be dependent upon Federal funds for their continuing operations after September 30, 1985.

(2) provide assistance under this title to more than two projects demonstrating or testing the same method or combination of (reducing methods of) the amount of agricultural land being converted from agricultural uses to nonagricultural uses.

AMOUNT OF ASSISTANCE

Sec. 304. (a) Subject to the provisions of subsection (b) of this section, the amount of assistance which may be provided under this title with respect to any project shall be determined by the Secretary but may not exceed 50 per centum of the cost of establishing, demonstrating, conducting, and testing such project. The remainder of such costs shall be provided by the applicant in a manner which the Secretary determines is satisfactory.

(b) The Secretary may not provide more than 20 per centum of funds appropriated pursuant to this title for any fiscal year as assistance for any project being carried out under this title during such fiscal year.

TECHNICAL ASSISTANCE

Sec. 305. (a) The Secretary, acting through the Soil Conservation Service of the Department of Agriculture and other agencies the Secretary may deem appropriate, shall provide to States and units of local government technical assistance concerning methods of protecting agricultural land and reducing the quantity of such land being converted from agricultural uses to nonagricultural uses.

(b) As a part of the technical assistance provided under this section, the Secretary shall disseminate the latest information available concerning the study and other activities being carried out under title II of this Act and concerning the demonstration projects being conducted under this title.

TITLE IV--GENERAL PROVISIONS

DEFINITIONS

Sec. 401. For purposes of this Act--

(1) the terms "agricultural land" and "farmland" mean any land (including forest land and rangeland) which--

(A) has the combination of physical and chemical characteristics for producing food, feed, fiber or forage, and is also available for any such use; and

(B) has the soil quality, growing season, and moisture supply needed to economically produce sustained yields of food, feed, fiber or forage when treated and managed, including water management, according to acceptable farming methods.

(2) the term "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Marianna Islands, Guam, American Samoa, or any territory or possession of the United States.

(3) the term "unit of local government" means the government of a county, municipality, town, township, village, or any combination thereof, or other unit of general government below the State level.

(4) the term "National Agricultural Lands Study" means the study created by a Memorandum of Understanding dated June 14, 1979, between the United States Department of Agriculture and the Council on Environmental Quality.

(5) the term "Secretary" means the Secretary of Agriculture.

LIMITATIONS

Sec. 402. (a) Nothing in this Act authorizes, or may be construed to authorize, the Federal Government on its own behalf or through requirements imposed on a State or unit of local government to--

(1) restrict or otherwise regulate in any way the use of privately owned land;

(2) deprive landowners of their rights to property or to income from the sale of property; or

(3) in any way increase, diminish, abrogate, or restrict existing authority and responsibilities of the various States and units of local government respecting land use, zoning, taxation, or any other aspect of the regulation, utilization, and disposition of public or private lands within their respective jurisdictions.

(b) The Federal Government or any agency or subdivision thereof shall not by virtue of the expenditure of any funds appropriated under title III of this Act, obtain any right, title, or interest in any land either by purchase, lease, assignment, default, inference or by operation of law.

EFFECTIVE DATE

Sec. 403. The provisions of this Act shall become effective on the date of enactment of this Act.

AUTHORIZATIONS FOR APPROPRIATIONS

Sec. 404. (a) There are authorized to be appropriated to carry out the provisions of title II of this Act $500,000 for the fiscal year ending September 30, 1981, $800,000 for the fiscal year ending on September 30, 1982, $850,000 for the fiscal year ending on September 30, 1983, $900,000 for the fiscal year ending on September 30, 1984, and $500,000 for the fiscal year ending on September 30, 1985.

(b) There are authorized to be appropriated to carry out the provisions of title III of this Act $15,000,000 for the fiscal year ending on September 30, 1982, $25,000,000 for the fiscal year ending on September 30, 1983, $20,000,000 for the fiscal year ending on September 30, 1984, and $500,000 for the fiscal year ending on September 30, 1985.

TERMINATION DATE

Sec. 405. The provisions of this Act shall terminate on September 30, 1985.

and amend the title to read as follows:

To assist local governments in establishing programs demonstrating methods of protecting agricultural land from being used for nonagricultural purposes; and for other purposes.

BRIEF EXPLANATION OF FOLEY SUBSTITUTE TO H.R. 2551

Title I - Intergovernmental Cooperation

Foley substitute deletes the Title I provisions in H.R. 2551 which, by requiring new internal agency policies and mandatory consistency between Federal actions and State and local laws, could result in lengthy administrative and legal delays in the conduct of Federal projects and programs. Instead of these mandatory provisions, the substitute establishes the policy of Congress as follows: (1) to foster cooperation between Federal, State, and local units of government in making decisions which will have a significant and direct effect of converting agricultural land to non-agricultural uses; and (2) to recommend that to the fullest extent practicable all Federal agencies, in making decisions which will result in such conversion, should establish procedures for giving notice to States and units of local government with jurisdiction over such land.

Title II - Agricultural Land Protection Study and Report

The substitute requires the Secretary to conduct a study and issue a report on the same issues as outlined in the Jeffords bill. The time for submission of the report is changed from "thirty months from the date of enactment" to "April 1, 1985," so that the report can include an analysis of the demonstration projects required by Title III of the Act.

The substitute deletes the requirement for an interim report analyzing methods and recommended procedures for implementing the Title III demonstration program.

The substitute also coordinates the bill with the existing USDA-CEQ National Agricultural Lands Study by (1) authorizing the personnel and facilities used in that study for the conduct of the comprehensive effort required by Title II; and (2) authorizing the Secretary to assist Federal Departments and agencies in implementing such recommendations as may result from the USDA-CEQ study.

Title III - Demonstration Program and Technical Assistance

The substitute provides for the establishment of an agricultural land protection program for assisting States in demonstrating and testing methods for reducing the conversion of agricultural land to non-agricultural uses. The methods and procedures are the same as provided in H.R. 2551. The substitute deletes the requirement for a separate report on the operation of this program since an analysis of the program's operation is required as part of the report required by Title II.

Title IV - General Provisions

The substitute is substantially the same as H.R. 2551, except for the following changes or additions:

(1) Clarifies that the Federal Government shall not, by reason of funds appropriated for the demonstration program, acquire any right, title or interest in any land;

(2) Authorizes appropriations for the study required by Title II as follows--FY 1981, $500,000; FY 1982, $800,000; FY 1983, $850,000; FY 1984, $900,000; and FY 1985, $500,000; and

(3) Delays for one year, until FY 1982, the authorizations for appropriations for the Title III demonstration program.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, November 7, 1979

(Sub) Committee Domestic Marketing, Consumer Relations, and Nutrition

Meeting: Business

Subject: Food Stamp Legislation

Bill Nos. H.R. 4318

The Domestic Marketing, Consumer Relations and Nutriti(Sub) Committee met in open Session at 10:00 o'clock, in Room 1302.

The following Members were present:

Mr. Richmond	Mr.	Mr.
Mr. Panetta	Mr.	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Akaka	Mr.	Mr.
Mr. Harkin	Mr.	Mr.
Mr.s Heckler	Mr.	Mr.
Mr. Grassley	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Fowler C. West, Staff Director
John Kramer, Special Counsel
John Hogan, Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Anita Brown, Staff Assistant
Glenda Knight, Staff Assistant
Mary Jarratt, Staff Assistant
Bernie Brenner, Press Assistant

Witnesses:

Mr. Bob Greenstein, Acting Administrator, Food and Nutrition Service, USDA, represented the Department and responded to questions on the food stamp program and amendments thereto.

Statements Filed:

None

Wednesday, November 7, 1979
Domestic Marketing, Consumer
Relations and Nutrition Subcommittee
Business Meeting
Food Stamp Act Amendments of 1979
H.R. 4318

Action taken:

-- By unanimous voice vote technical amendments offered by Mr. Richmond agreed to.

-- Without objection, Harkin amendment on protecting against harmful effects of retrospective income accounting and periodic reporting of income provisions reformed.

-- Without objection, report language agreed to dealing with Harkin amendment.

-- By unanimous voice vote, Harkin amendment, as revised, adopted.

-- Staff directed to perfect language of Richmond amendment dealing with state incentives for reducing error.

-- By unanimous voice vote, Richmond amendment pertaining to state liability for errors approved.

-- By unanimous voice vote, Richmond amendment dealing with provisions of information adopted.

-- Staff directed to perfect language of Harkin amendment dealing with State compliance.

-- By unanimous voice vote, Heckler amendment pertaining to destitute persons in temporary shelters for battered women and/or children approved.

-- By unanimous voice vote, Heckler amendment providing for dependent care deductions for working adults agreed to.

-- Without objection, Richmond amendment dealing with photo identification reformed.

-- By unanimous voice vote Richmond amendment, as reformed, agreed to.

Chairman Richmond called the meeting to order for the purpose of marking up H.R. 4318, the Food Stamp Act Amendments of 1979.

Wednesday, November 7, 1979
Domestic Marketing, Consumer
Relations and Nutrition Subcommittee
Business Meeting
Food Stamp Act Amendments of 1979
H.R. 4318

Chairman Richmond offered the attached technical amendments which would delete provisions of the bill previously adopted. Discussion occurred and by a unanimous voice vote the technical amendments were agreed to.

Mr. Harkin offered the attached amendment to protect against harmful effects of retrospective income accounting and periodic reporting of income provisions. Discussion occurred and Mr. Harkin asked unanimous consent to reform his amendment to delete items (4) and (5) with the understanding that they would be made a part of the Committee report. In addition, report language is to be included to clarify item (3). By a unanimous voice vote the Harkin amendment, as reformed, was approved.

Mr. Richmond offered the attached amendment dealing with state incentives for reducing error. Discussion occurred and Mr. Greenstein advised that the Administration opposed the amendment. Discussion continued and staff was directed to get together with the Administration representatives to work out appropriate language for consideration at the next meeting.

Mr. Richmond offered the attached amendment pertaining to state liability for errors. Discussion occurred and by a unanimous voice vote the amendment was agreed to.

Mr. Richmond offered the attached amendment dealing with provisions of information. Discussion occurred and by a unanimous voice vote the amendment was approved.

Mr. Harkin offered the attached amendment dealing with state compliance with law. Discussion occurred and without objection Mr. Harkin reformed his amendment to add a comma after the word "initiate" in the first line and to strike "or" and without objection the amendment was held over until the next meeting to enable staff and the Administration to check the amendment to see if further drafting is required.

Mrs. Heckler offered the attached amendment pertaining to destitute persons in temporary shelters for battered women and/or children. Discussion occurred and by a unanimous voice vote the amendment was adopted.

Wednesday, November 7, 1979
Domestic Marketing, Consumer
Relations and Nutrition Subcommittee
Business Meeting
Food Stamp Act Amendments of 1979
H.R. 4318

Mrs. Heckler offered the attached amendment providing for dependent care deductions for working adults. Discussion occurred and Mrs. Heckler clarified that the amendment provided for a maximum deduction of $160 per month per household rather than per dependent. Discussion continued and by a unanimous voice vote the Heckler amendment was approved.

Mr. Richmond offered the attached amendment to provide for photo identification. Discussion occurred and without objection the amendment was reformed to provide that the determination would be made by the Secretary of Agriculture in consultation with the Inspector General. Discussion continued and by a unanimous voice vote the amendment, as reformed, was agreed to.

Mr. Glickman reserved his right to offer an amendment dealing with the food stamp cap.

At 12:00 noon the meeting was adjourned to reconvene at 10:00 a.m. on Thursday, November 8, to continue consideration of amendments to the bill, H.R. 4318.

Glenda Temple

Glenda Temple

AMENDMENT OFFERED BY Richmond

TO H.R. 4318

TECHNICAL AMENDMENTS

Page 6, line 18, delete (f) and insert (g).

Page 8, line 21 through page 9, line 11, delete section 5.

Page 9, line 16 through page 10, line 3, delete new subsection (g).

Page 11, line 17 through page 12, line 3, delete section 7.

Hawkins

AMENDMENT TO PROTECT AGAINST HARMFUL EFFECTS OF RETROSPECTIVE INCOME ACCOUNTING AND PERIODIC REPORTING OF INCOME PROVISIONS

H.R. 4318 is amended by --

(1) On page 3, lines 9-10, strike out "is authorized to" and insert in lieu thereof "shall";

(2) On page 3, line 13, after "income", insert the following: ", including households experiencing losses of income of $50 per month or more,";

(3) On page 3, line 15, after "Act," insert "migrant farmworker households," and delete on page 3, line 19, ", such as migrant farmworker households".

(4) On page 4, line 10, after "reports", insert the following: ", through postage prepaid forms provided to them monthly sufficiently in advance of the requisite reporting date,"; and

(5) On page 5, line 9, after "forms," insert the following: "so that maximum efforts are undertaken by State agencies to ensure that any such household is not terminated from the program due to its inability to prepare and file the requisite reports,".

AMENDMENT OFFERED BY ~~Mr. Stark~~ Mr. Richmond

TO H.R. 4318

STATE INCENTIVES FOR REDUCING ERROR

Section 16(c) is amended by:

(1) Inserting (1) after the phrase "such share to",

(2) Deleting "60" and inserting "75" in lieu thereof,

(3) Inserting the following before the period: "and (2) 60 per centum of all such administrative costs in the case of a State agency whose annual rate of error reduction is at least 150 percent greater than the national annual rate of error reduction for the previous fiscal year computed in accordance with subsection (f) of this section".

AMENDMENT OFFERED BY Mr. Richmond

TO H.R. 4318

STATE LIABILITY FOR ERRORS

Page 7, delete everything from "1980" in line 10 through "June 30, 1978" in line 11 and insert in lieu thereof the following: "1981, the six months beginning October 1, 1979, and ending March 31, 1980".

AMENDMENT OFFERED BY Richmond

TO H.R. 4318

PROVISIONS OF INFORMATION

1. Page 10, line 5, insert ", upon request," after "disclose";

2. Page 10, line 7, insert "upon written request, to offices and employees" before "of a State agency";

3. Page 10, line 17, delete everything from "and" through "purpose" in line 19;

4. Page 11, line 4, insert ", upon request," after "disclose";

5. Page 11, line 5, insert "upon written request, to officers and employees" before "of a State agency";

6. Page 11, line 5, insert "wage information and" before "information";

7. Page 11, line 12, delete everything from "which" through "and" in line 14;

8. Page 11, line 16, delete "Labor" and insert "Health, Education, and Welfare"; and

9. Amend section 11(e)(3) of the Act by inserting the following after "section 5(d) of this Act": "in part through use of the information, if any, obtained pursuant to section 16(h) and (i) of this Act".

AMENDMENT OFFERED BY Harkin

TO H.R. 4318

STATE COMPLIANCE WITH LAW

Amend section 11(g) by--

(1) inserting after "determines" the following: ", upon investigation that he may initiate, ~~or~~ and that he shall initiate upon the filing of sufficient complaints by applicant or participating households to evidence a pattern of lack of compliance with any of the provisions of this Act,";

(2) deleting the period at the end of the second sentence and inserting thereafter the following: "and, whether or not the Secretary does refer such matter to the Attorney General, the Secretary shall proceed to withhold appropriate funds from the State in accordance with the provisions of the second sentence of section 16(b) of this Act.".

Amendment offered by Heckler to H.R. 4318

DESTITUTE PERSONS IN TEMPORARY SHELTERS FOR BATTERED WOMEN AND/OR CHILDREN

(a) Section 3 is amended by--

(1) striking out in clause (1) of subsection (g) "and (7)" and inserting in lieu thereof "(7) and (8)";

(2) striking out in subsection (g) "and (7)" and inserting in lieu thereof "(7)";

(3) inserting immediately before the period at the end of subsection (g) the following: ", and (8) in the case of women and/or children temporarily residing in public or private nonprofit shelters for battered women and/or children, meals prepared and served, by such shelters";

(4) inserting in the last sentence of subsection (i) after "section 1616(e) of the Social Security Act" the following: ", temporary residents of public or private nonprofit shelters for battered women and/or children"; and

(5) striking out in clause (2) of subsection (k) "and (7)" and inserting in lieu thereof "(7), and (8)".

(b) Section 10 is amended by--

(1) inserting after "purchased" a comma;

(2) striking the comma immediately after "residents"; and

(3) inserting after "programs" the following: ", public and private nonprofit shelters that prepare and serve meals, for battered women and/or children".

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AMENDMENT OFFERED BY Weber

TO H.R. 4318

DEPENDENT CARE DEDUCTIONS FOR WORKING ADULTS

Section 5(e) is amended by--

(1) in the fourth sentence, striking out all of (1) and inserting in lieu thereof the following:

"(1) a dependent care deduction for the actual cost of payments necessary for the care of a dependent regardless of the dependent's age, up to a maximum of $160 per month, when such care enables a household member to accept or continue employment, or training or education which is preparatory for employment, and";

(2) in the fourth sentence, placing a period after "March 31" and striking out everything thereafter in the sentence; and

(3) in the last sentence, in clause (B), striking out "that for the excess shelter expenses deduction contained in clause (2) of the preceding sentence" and inserting in lieu thereof the following: "described in clause (1) of the preceding sentence.".

IMPLEMENTATION

The provisions of sections 1 and 2 of this Act shall be implemented in all States, for all applicant and participate households, within three months from the date of enactment.

AMENDMENT OFFERED BY Richmond

TO H.R. 4318

PHOTO IDENTIFICATION

Section 11(e) of the Act is amended by deleting "and" at the end of subsection (15), inserting "and" at the end of subsection (16), and adding the following new subsection (17) as follows:

"(17) that the State agency shall require each household certified as eligible to participate by methods other than the out-of-office methods specified in the last sentence of subsection (2) in those cities with 50,000 or more inhabitants within the State (A) which are part of standard metropolitan statistical areas (as designated by the United States Office of Federal Statistical Policy and Standards) and (B) in which the Department's Inspector General finds that it would be useful to protect the program's integrity to present a photographic identification card when utilizing its authorization card in order to receive its coupons.".

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, November 8, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Agricultural Land Protection Act

Bill Nos. H.R. 2551

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr.	Foley	Mr.	Glickman	Mr.	Wampler
Mr.	Jones (Tenn.)	Mr.	Akaka	Mr.	Sebelius
Mr.	Mathis	Mr.	Whitley	Mr.	Findley
Mr.	Brown	Mr.	Coelho	Mr.	Madigan
Mr.	Bowen	Mr.	Daschle	Mr.	Jeffords
Mr.	Richmond	Mr.	Hance	Mr.	Grassley
Mr.	Nolan	Mr.	Anthony	Mr.	Hagedorn
Mr.	Weaver	Mr.		Mr.	Coleman
Mr.	Baldus	Mr.		Mr.	Marlenee
Mr.	Harkin	Mr.		Mr.	Hopkins
Mr.	Bedell	Mr.		Mr.	Thomas
Mr.	English	Mr.		Mr.	
Mr.	Fithian	Mr.		Mr.	
Mr.	Panetta	Mr.		Mr.	
Mr.	Skelton	Mr.			
Mr.	Huckaby	Mr.			

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Gary Norton, Assistant Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Jim Swiderski, Subcommittee Staff Consultant
Steve Adams, Staff Assistant

Witnesses:

None

Statements Filed:

None

Thursday, November 8, 1979
Full Committee
Business Meeting
Agricultural Land Protection Act
H.R. 2551

Action Taken:

-- Grassley amendment to section 101 of Foley substitute amendment not approved by show of hands vote 2 yeas-20 nays.

-- Without objection Glickman amendment to Foley substitute amendment revised pursuant to suggestion of Mr. Foley.

-- Without objection Glickman amendment withdrawn.

-- Findley amendment to strike section 101 approved by show of hands vote of 11 yeas-6 nays.

-- By unanimous voice vote Thomas clarifying amendment to Foley substitute amendment agreed to.

-- Grassley amendment deleting title III not approved by show of hands vote of 2 yeas-15 nays.

-- By show of hands vote of 17 yeas-0 nays Foley substitute amendment, as amended, adopted.

-- By roll call vote of 26 yeas-13 nays H.R. 2551, as amended, ordered reported to the House in the presence of a quorum.

Chairman Foley called the meeting to order for the purpose of continuing consideration of H.R. 2551, the Agricultural Land Protection Act. The Clerk was directed to call the roll, and the following Members responded when their names were called:

1. Mr. Nolan
2. Mr. Fithian
3. Mr. Skelton
4. Mr. Huckaby
5. Mr. Glickman
6. Mr. Whitley
7. Mr. Coelho
8. Mr. Sebelius
9. Mr. Findley
10. Mr. Jeffords
11. Mr. Grassley
12. Mr. Hagedorn
13. Mr. Hopkins
14. Mr. Foley
15. Mr. Weaver
16. Mr. Harkin
17. Mr. Bedell
18. Mr. English

Eighteen Members having responded a one-third quorum was established pursuant to previous notice under Committee rules.

Thursday, November 8, 1979
Full Committee
Business Meeting
Agricultural Land Protection Act
H.R. 2551

Pending at the close of the previous meeting was an amendment in the nature of a substitute by Mr. Foley (see minutes of November 2 for copy of Foley amendment). Discussion occurred.

Mr. Grassley offered the attached amendment as a compromise amendment between the Jeffords bill and Foley substitute. Discussion occurred primarily on the judicial review aspects and by a show of hands vote of 2 yeas-20 nays the Grassley amendment was not agreed to.

Mr. Glickman offered the attached amendment clarifying judicial review to the Foley substitute amendment. Mr. Foley suggested that the words "United States" be added after the word "person," and there was no objection. Discussion occurred and Mr. Glickman asked unanimous consent to withdraw his amendment. There was no objection.

Mr. Findley moved to strike section 101 in its entirety and to include the language in the Committee report. Discussion occurred and by a show of hands vote of 11 yeas-6 nays the amendment was agreed to. Mr. Harkin requested a recorded vote and two Members (an insufficient number) voted to sustain the request.

Mr. Thomas offered the attached amendment which would not only restrict the Federal Government or any agency thereof to obtain any right, title or interest with funds appropriated under title III of this Act, but would also restrict the State or any unit of local government from the same provisions with a proviso that allows them to expend these monies for administration and planning. Discussion occurred and by a unanimous voice vote the Thomas amendment was approved.

Mr. Findley offered an amendment to the bottom of page 4 of the Foley substitute amendment to add "from non-Federal sources" following the word "applicant". Discussion occurred and by a unanimous voice vote the amendment was agreed to.

Mr. Grassley offered the attached amendment to delete title III. Discussion occurred and by a show of hands vote of 2 yeas-15 nays the Grassley amendment was not approved.

By a show of hands vote of 17 yeas-0 nays the Foley substitute amendment, as amended, was approved.

Mr. Jeffords moved that the bill, as amended, be reported to the House with the recommendation that it do pass. The Clerk was directed to call the roll, and the vote follows:

Thursday, November 8, 1979
Full Committee
Business Meeting
Agricultural Land Protection Act
H.R. 2551

YEAS

1. Mr. Jones (Tenn.)
2. Mr. Brown
3. Mr. Nolan
4. Mr. Weaver
5. Mr. Harkin
6. Mr. Bedell
7. Mr. Glickman
8. Mr. Akaka
9. Mr. Whitley
10. Mr. Daschle
11. Mr. Wampler
12. Mr. Sebelius
13. Mr. Findley (proxy to Mr. Sebelius)
14. Mr. Madigan (proxy to Mr. Jeffords)
15. Mrs. Heckler (proxy to Mr. Jeffords)
16. Mr. Jeffords
17. Mr. Coleman (proxy to Mr. Wampler)
18. Mr. Thomas
19. Mr. Foley
20. Mr. Mathis (proxy to Mr. Foley)
21. Mr. Jones (N.C.) (proxy to Mr. Foley)
22. Mr. Richmond
23. Mr. English
24. Mr. Skelton
25. Mr. Coelho (proxy to Mr. Foley)
26. Mr. Baldus

NAYS

1. Mr. Fithian
2. Mr. Panetta
3. Mr. Huckaby
4. Mr. Hance
5. Mr. Anthony
6. Mr. Stenholm (proxy to Mr. Hance)
7. Mr. Kelly (proxy to Mr. Grassley)
8. Mr. Grassley
9. Mr. Hagedorn
10. Mr. Bowen
11. Mr. Symms (proxy to Mr. Wampler)
12. Mr. Marlenee (proxy to Mr. Wampler)
13. Mr. Hopkins (proxy to Mr. Wampler)

Thus, by a roll call vote of 26 yeas-13 nays (27 Members present and voting) H.R. 2551, amended, ordered favorably reported to the House in the presence of a quorum.

Staff was given permission to make any necessary clerical and technical changes and Members were given three legislative days in which to submit additional views for inclusion in the Committee report.

At 12:05 p.m. the meeting was adjourned to reconvene at 10:30 a.m. on Wednesday, NOvember 14, at which time the pending business will be consideration of H.R. 5523, pertaining to extra long staple cotton, and H.R. 4718, the Forestry Loan Act.

Glenda Temple

AMENDMENT TO H.R. 2551

Offered by Mr. Grassley

Strike title I and substitute in lieu thereof the following:

TITLE I—FEDERAL AGENCY COMPLIANCE

DECLARATION OF PURPOSE

SEC. 101. The purposes of this title are—

(1) to recognize and respect the rights and responsibilities of private landholders in making land use decisions and the rights and responsibilities of State and units of local government in developing public policies regarding non-Federal land use;

(2) to provide for—

(A) the management of Federal owned or leased lands in a manner which requires Federal departments and agencies to consider the effects such management has on nearby private and public agricultural land; and

(B) the coordination of such management with the management of adjacent private and public agricultural lands;

(3) to conduct Federal land oriented programs so that such programs contribute to the Nation's short- and long-range needs for adequate supplies of food, fiber, wood, water, and agricultural land; and

(4) assure that Federal actions do not cause agricultural land to be irreversibly converted to nonagricultural uses unless other national interests outweigh the benefits derived from retaining such land for agricultural purposes.

DEVELOPMENT OF INTERNAL POLICIES

SEC. 102. (a) The Congress authorizes and directs that, to the fullest extent possible—

(1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this title; and

(2) all agencies of the Federal Government shall—

(A) identify and develop methods and procedures, which will insure that retention and protection of agricultural land for agricultural purposes be given appropriate weight in decisionmaking along with other considerations;

(B) identify significant effects on agricultural land of any major action they may undertake and ~~specify in the Federal Register~~ consider what alternative

proposals may be available to such action that would lessen the impact of such action on the conversion of such agricultural lands to nonagricultural uses; and

(C) make available to States, units of local government, institutions, and individuals, information useful in restoring, maintaining, and enhancing the quantity and quality of agricultural land.

(D) promote retention of agricultural land for agricultural purposes in any case in which conversions of land (1) are proposed by a Federal agency, (2) are licensed by, or require approval by, a Federal agency, or (3) are inconsistent with State or local government agricultural land retention programs;

(E) give notice to each State and unit of local government with jurisdiction over agricultural land in any instance in which they propose to use or propose to authorize the use of such agricultural land for a nonagricultural purpose.

CONFORMITY OF ADMINISTRATIVE PROCEDURES

SEC. 103. All agencies of the Federal Government shall review their present statutory authority, administrative regulations, and current policies and procedures for the purpose of determining whether there are any deficiencies or inconsistencies therein which prohibit full compliance with the purposes and provisions of this title and shall propose not later than nine months after the effective date of this title, such measures as may be necessary to bring their authority and policies into conformity with the intent, purposes, and procedures set forth in this title.

4

CONFORMITY OF FEDERAL ACTIONS

SEC. 104. Each Federal department or agency conducting or supporting any major action significantly affecting agricultural land ~~identified by the State or local government for preservation~~ shall conduct such action in a manner consistent to the maximum extent practicable, with the agricultural land retention laws ~~or~~ ordinances (or programs) established by ~~such~~ the State or unit of local government in which such land is located.

JUDICIAL REVIEW

Sec. 105.(a) Except as provided in subsection (b) of this section, no agency action or failure to act under this title shall be subject to judicial review. No agency action under any authority other than the provisions of this title shall be invalidated, remanded, or otherwise affected by any court on account of any failure to comply with the requirements of this title. The provisions of this title shall not change in any way the substantive or procedural standards for judicial review of agency actions.

(b) Nothing in this section shall bar judicial review of any impact statement or other similar statement required by any law other than the provisions of this title.

SEC. 106. The provisions of this title shall become effective on the date of enactment of this Act.

AMENDMENT BY MR. GLICKMAN TO AMENDMENT BY MR. FOLEY

At the end of section 101, insert the following: "This section shall not be deemed to provide a basis for any action, either legal or equitable, by any person, State or unit of local government.".

AMENDMENT TO FOLEY AMENDMENT TO H.R. 2551

Offered by Mr. Thomas

Amend Section 402(b) to read as follows:

(b) The Federal Government, any agency or subdivision thereof, any State, or any unit of local government, shall not expend any funds appropriated under Title III of this Act, to obtain any right, title, or interest in any land either by purchase, lease, assignment, default, inference or by operation of law : Provided, that this section shall not prohibit the expenditure by any State or unit of local government of funds appropriated under Title III for planning and administrative expenses associated with a program involving the expenditure of State or local funds used for the acquisition of an interest in land.

AMENDMENT TO THE FOLEY AMENDMENT TO H.R. 2551

Offered by Mr. Grassley

In section 202, delete from the first sentence "and an analysis of the demonstration projects required by title III of this Act".

Delete the title to title III and insert in lieu thereof "TECHNICAL ASSISTANCE AND INFORMATION CLEARINGHOUSE NETWORK".

Strike sections 301, 302, 303, and 304 and insert in lieu thereof a new section 301 reading as follows:

"Sec. 301. Title V of the Rural Development Act of 1972 is amended as follows:

"(a) The heading of title V is amended to read as follows: "Rural Development and Small Farm Research and Education and Protection of Agricultural Land".

"(b) Section 501 of said Act is amended by changing the period at the end thereof to a semicolon and adding a new subsection (e) reading as follows:

'(e) to provide technical assistance for, and an information clearinghouse network relating to, agricultural land protection.'

"(c) Section 502 of said Act is amended by adding new subsections (e) and (f) reading as follows:

'(e) Agricultural Land Protection Technical Assistance.--Agricultural land protection technical assistance shall consist of services, other than direct financial assistance, through which information, expertise and technical aid may be made

available to States and units of local government concerning the protection of agricultural land and reduction of the quantity of such land being converted from agricultural to nonagricultural uses.

'(f) Agricultural Land Protection Information Clearinghouse Network.-- This program shall provide for the collection, analysis and dissemination of information and data concerning the protection of agricultural land and methods of reducing the quantity of such land being converted from agricultural to nonagricultural uses.'

"(d) Section 503(b) of said Act is amended by--

"(1) adding '(1)' immediately after the subsection designation;

"(2) inserting the phrase 'of subsections (a) and (b) of section 502' immediately after the word 'purposes';

"(3) redesignating paragraphs (1) through (4) as (A) through (D), respectively; and

"(4) adding a new paragraph (2) reading as follows:

'(2) Such sums as the Congress shall appropriate to carry out the purposes of subsections (e) and (f) of section 502 of this title pursuant to subsection (a) shall be distributed by the Secretary as follows:

'(A) 4 per centum to be used by the Secretary for Federal administration, national coordination, and program assistance, with authority to reserve an additional 5 per centum for use by the Secretary in carrying out the Federal component of section 502(f); and

'(B) the remainder to be allocated as follows:

'(i) one-half to be allocated equally among the States requesting funds under this paragraph, after notification to all the States by the Secretary that such funding is available; and

'(ii) one-half to be allocated among the several States in such amounts as determined by the Secretary.'."

Renumber section 305 as section 302 and in renumbered section 302(b) delete "and concerning the demonstration projects being conducted under this title".

Delete subsection (b) of section 404.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date November 10, 1979

(Sub) Committee on Conservation and Credit

Meeting: Public Hearing

Subject: Farm Credit Act Amendments and Review of Conservation Programs

Bill Nos. H.R. 4782

The Conservation and Credit (Sub) Committee met in Public Session at 9:30 o'clock, in Room City Council Chambers, City Bldg. Champaign, Illinois

The following Members were present:

Mr. Jones of Tennessee	Mr.	Mr.
Mr. Madigan	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Wayne Fletcher
Jim Johnson

Action Taken:

Witnesses:

Statements Filed:

Witnesses:

Farm Credit Witnesses - Morning 9:30 a - 12 Noon

1. Mr. Allan Aves
   American Soybean Association, Washington, D.C.

2. Mr. Virgil Peterson
   Executive Vice President, Hoosier Energy Division, Bloomington, Indiana

3. Mr. James Finch
   West Lafayette, Indiana

4. Mr. Harold Dodd
   President, Illinois Farmers Union, Springfield, Illinois

5. Mr. Byron Jones
   Saybrook, Illinois

6. Mr. Delmar Builta
   Bellflower, Illinois

7. Mr. Vincent Kahle
   Luckey Farmers, Woodville, Ohio

8. Mr. Bob Hester
   Director, Farm Credit Bank of Louisville, Louisville, Kentucky

9. Mr. Jay Skinner
   Delaware, Ohio

10. Mr. Dean Simerol
    Vice President for Public Affairs, Ohio Farm Bureau, Columbus, Ohio

11. Mr. Glenn Franklin
    Indiana Farm Bureau Cooperative, Indianapolis, Indiana

12. Mr. Wayne Seaman
    West Central Cooperative, Ralston, Iowa

13. Mr. Don Brophy
    Agri-Industries, West Des Moines, Iowa

14. Mr. Harold Apel
    Lincoln, Illinois

15. Mr. Robin Lahman
    Franklin Grove, Illinois

16. Mr. J. D. Lemmerman
    First Vice President, Illinois Bankers Association

17. Mr. Burger Amdahl
    President, Bank for Cooperatives, St. Paul, Minnesota

18. Mr. Lloyd Stewart
    Carson, North Dakota

19. Mr. Russell Bueling
Federal Intermediate Credit Bank, Sheldon, North Dakota

Farm Credit Witnesses - Afternoon - 1:30 p.m. - 4:30 p.m.

20. Mr. Harold Steele
President, Illinois Farm Bureau, Bloomington, Illinois

21. Mr. C. R. Johnston
President, Missouri Farm Bureau Federation, Jefferson City, Missouri

22. Mr. Leonard Fouto
West Point, Indiana

23. Mr. Wayne O. Clark
Catlin, Illinois

24. Mr. Gordon Sowers - accompanied by Mr. Jay Shattuch
President, Independent Farm Agents of Illinois, Watseka, Illinois

25. Mr. Charlie Pratt
National Livestock Producers Association, Denver, Colorado

26. Mr. Byron Berg and Mr. Jerome Franz
Director, Production Credit Association, Dodgeville, Wisconsin

27. Mr. Gilbert Fricke
Illinois Department of Agriculture, Springfield, Illinois

28. Mr. Wilbur Bowman
President, Association of Illinois Soil and Water Conservation Districts, Polo, Illinois

29. Mr. Hillard Morris
Director, National Association of Conservation Districts, Mason, Illinois

30. Mr. Lawrence McCloy
Mason, Illinois

31. Mr. Harold Parett
Mohamet, Illinois

32. Mr. Byron Little
Arcola, Illinois

33. Mr. Maitland Rice
Vice President, Kentucky Association of Conservation Districts,
Owensboro, Kentucky

34. Mr. Ed Bowman
Oneida, Illinois

35. Mr. Rodney Bucher
Vice President, Old Republic Life Insurance Co., Chicago, Illinois

36. Mr. Larry Butcher
Four River Production Credit Association, Macomb, Illinois

37. Mr. Robert Wagner
Burnside, Illinois

38. Mr. Stanley Otten
Modesto, Illinois

39. Mr. Charlie Guthrie
American Agriculture Movement of Illinois, Taylorville, Illinois

40. Mr. Harold Powell
Williamston, Michigan

41. Mr. Gerald Boerboom
Marshall, Minnesota

Chairman Jones (Tennessee) called the meeting to order at 9:30 a.m. for the purpose of hearing and questioning witnesses listed on pages 2,3,4,5, and 6 of these minutes.

At 4:30 p.m., the hearing was adjourned.

Wayne Fletcher

Wayne Fletcher

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, November 14, 1979

(Sub) Committee Domestic Marketing, Consumer Relations and Nutrition

Meeting: Business

Subject: Food Stamp Act

Bill Nos. H.R. 4318

The Domestic Marketing, Consumer Relations, and Nutrition (Sub) Committee met in open Session at 10:00 o'clock, in Room 1302

The following Members were present:

Mr. Richmond	Mr.	Mr.
Mr. Panetta	Mr.	Mr.
Mr. Glickman	Mr.	Mr.
Mr. Akaka	Mr.	Mr.
Mr. Harkin	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Fowler C. West, Staff Director
John Kramer, Special Counsel
Bob Franks, Associate Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Joe Crapa, Subcommittee Staff Consultant
Glenda Knight, Staff Assistant
Anita Brown, Staff Assistant
Mary Jarratt, Staff Assistant

Witnesses:

Representing the Administration and responded to questions were:

1. Mr. Bob Greenstein, Administrator, Food and Nutrition Service, USDA.

2. Mr. David deFerranti, Director, Office of Policy, Planning and Evaluation, Food and Nutrition, Service, USDA.

Statements Filed:

None

Wednesday, November 14, 1979
Domestic Marketing, Consumer Relations
and Nutrition Subcommittee
Business Meeting
Food Stamp Act
H.R. 4318

Action Taken:

-- By roll call vote of 3 yeas-2 nays Richmond amendment on medical deductions for the elderly approved.

-- By unanimous voice vote, Richmond amendment assisting low income households with energy bills agreed to.

-- By unanimous voice vote, Panetta amendment on verification approved.

-- By unanimous voice vote, Richmond technical amendment on medical deductions agreed to.

-- By unanimous voice vote, Richmond amendment clarifying State's right to proceed against fraudulent persons adopted.

-- By a roll call vote of 2 yeas-4 nays Panetta amendment to Richmond amendment on state incentives for reducing errors not approved.

-- By unanimous voice vote Richmond amendment on state incentives for reducing errors agreed to.

-- By a unanimous voice vote Panetta amendment to Harkin amendment agreed to.

-- By a unanimous voice vote Harkin amendment on state compliance as amended by the Panetta amendment approved.

-- By a voice vote Richmond amendment on behalf of Mr. Hance on fraud clearinghouse not adopted.

-- By a unanimous voice vote Richmond amendment on behalf of Mr. Findley concerning workfare experiment revisions approved.

-- By a show of hands vote of 3 yeas-2 nays Richmond amendment removing cap approved.

-- By a roll call vote of 5 yeas-4 nays, H.R. 4318, as amended, ordered favorably reported to the full Committee in the presence of a quorum.

Wednesday, November 14, 1979
Domestic Marketing, Consumer Relations
and Nutrition Subcommittee
Business Meeting
Food Stamp Act
H.R. 4318

Chairman Richmond called the meeting to order for the continued consideration of H.R. 4318, the Food Stamp Act Amendments of 1979.

Mr. Richmond offered the attached amendment which would lower medical deductions for the elderly. Discussion occurred and the Chairman requested a recorded vote. The vote follows:

Y E A S

1. Mr. Nolan (proxy to Mr. Richmond)
2. Mr. Akaka
3. Mr. Richmond

N A Y S

1. Mr. Panetta
2. Mr. Glickman

Thus, by a roll call vote of 3 yeas-2 nays the Richmond amendment was agreed to.

Mr. Richmond offered the attached amendment which would assist low income households with energy bills. Discussion occurred and by a unanimous voice vote the amendment was adopted.

Mr. Panetta offered the attached amendment permitting States to expand verification. Discussion occurred and by a unanimous voice vote the amendment was approved.

Mr. Glickman advised that he had planned to offer an amendment on the cap, but would offer it in the full Committee instead. He reserved his right to offer the amendment.

Mr. Richmond offered the attached technical amendment on medical deductions. Discussion occurred and by a unanimous voice vote the amendment was agreed to.

Mr. Richmond offered the attached amendment clarifying the State's right to proceed against fraudulent persons. Discussion occurred. By a unanimous voice vote the amendment was approved with report language to reflect the Subcommittee's intent.

Wednesday, November 14, 1979
Domestic Marketing, Consumer Relations
and Nutrition Subcommittee
Business Meeting
Food Stamp Act
H.R. 4318

Mr. Richmond offered the attached amendment on State incentives for reducing errors. Discussion occurred and Mr. Panetta moved to strike subsection (4) of the Richmond amendment. Discussion continued. Mr. Richmond requested a recorded vote and the vote follows:

Y E A S

1. Mr. Panetta
2. Mr. Glickman

N A Y S

1. Mr. Nolan (proxy to Mr. Richmond)
2. Mr. Akaka
3. Mr. Harkin
4. Mr. Richmond

Thus, by a roll call vote of 2 yeas-4 nays the Panetta amendment to the Richmond amendment was not approved. The Richmond amendment was then approved by a unanimous voice vote.

Mr. Harkin offered the attached amendment on State compliance with law. Discussion occurred and Mr. Panetta suggested that in paragraph (1) the words "the filing of sufficient complaints by applicant or participating households to evidence" be deleted and the words "receiving of sufficient information evidencing" be inserted in lieu thereof. By a unanimous voice vote the Panetta amendment to the Harkin amendment was approved. The Harkin amendment, as amended, was adopted by a unanimous voice vote.

Mr. Richmond offered on behalf of Congressman Hance an amendment incorporating the fraud clearinghouse as contained in H.R. 4824. Discussion occurred and by a voice vote the amendment was not agreed to.

Mr. Richmond offered on behalf of Mr. Findley the attached amendments concerning workfare experiment revisions. Discussion occurred and by a unanimous voice vote the amendment was approved.

Mr. Richmond offered the attached amendment removing the cap for fiscal years 1980 and 1981. Discussion occurred and by a show of hands vote of 3 yeas-2 nays the amendment was agreed to with appropriate report language to reflect the Subcommittee's intent.

Wednesday, November 14, 1979
Domestic Marketing, Consumer Relations,
and Nutrition Subcommittee
Business Meeting
Food Stamp Act
H.R. 4318

Mr. Harkin stated that had he been present during consideration of the Richmond amendment dealing with medical deductions for the elderly, he would have offered an amendment to apply to all households. He reserved his right to offer the amendment in the full Committee.

Mr. Glickman moved that H.R. 4318, as amended, be ordered reported to the full Committee. The Chairman requested a recorded vote, and the vote follows:

Y E A S

1. Mr. Nolan (proxy to Mr. Richmond)
2. Mr. Akaka
3. Mr. Harkin
4. Mrs. Heckler (proxy to Mr. Richmond)
5. Mr. Richmond

N A Y S

1. Mr. Symms (proxy to Mr. Richmond)
2. Mr. Grassley (proxy to Mr. Richmond
3. Mr. Panetta
4. Mr. Glickman

Thus, by a roll call vote of 5 yeas-4 nays H.R. 4318, as amended, was ordered favorably reported to the full Committee in the presence of a quorum.

Staff was given permission to make any necessary technical and clerical changes to reflect the Subcommittee's intent and at 11:50 a.m. the meeting was adjourned, subject to the call of the Chair.

Glenda Temple

AMENDMENT OFFERED BY MR. RICHMOND

TO H.R. 4318

MEDICAL DEDUCTIONS FOR THE ELDERLY

Section 5(e)(A) of the Food Stamp Act of 1977 is amended by--

(1) inserting the following before "exclusive of special diets": "or their spouses,"; and

(2) inserting "$10" in lieu of "35".

EXPLANATION

This amendment would lower the medical deduction for the elderly (60 or over, on SSI, or Social Security disability) threshhold to $10 and expand it to encompass the medical expenses of spouses under the age of 60.

AMENDMENT OFFERED BY MR. RICHMOND

TO H.R. 4318

Section 5(d) of the Act is amended by--

(1) deleting the "and" before "(10)",

(2) deleting the period at the end thereof and adding the following:

", and (11) any payments or allowances made under any Federal, State, or local laws for the purpose of providing energy assistance.",

(3) The effective date of this amendment shall be November 1, 1979.

EXPLANATION

This amendment is designed to make as explicit as possible the exclusion from income of all payments made to assist low income households with meeting their energy bills regardless of the source of those payments. A similar provision already appears in the fiscal year 1980 Interior Appropriations law.

AMENDMENT OFFERED BY MR. Panetta

TO H. R. 4318

VERIFICATION

Section 11(e)(3) of the Act is amended by adding at the end thereof the following" ", although the State agency may verify prior to certification, whether questionable or not, the size of any applicant household and any factors of eligibility involving households that fall within the State agency's error-prone household profiles as developed by the State agency from the quality control program undertaken pursuant to section 16 of this Act and as approved by the Secretary;".

EXPLANATION

This amendment would permit States to expand verification (meaning the use of third-party information or documentation to establish the accuracy of statements on the application) by allowing them to inquire, regardless of the current requirement that they have evidence indicating that information is questionable, into household size (number of persons in the household) and into any other eligibility factor shown to be subject to substantial erroneous determination in connection with error-prone household profiles developed from quality control statistics. Such profiles would be comparable to the airlines' profiles for probable customs violations and terrorists and would have to be approved by the Secretary in order to avoid discriminatory profiles or overbroad profiles effectively changing verification for a majority of applicant households.

Richmond Amd.

Technical Amendment on Medical Deductions

When Congress enacted P.L. 96-58 this summer, a medical deduction was established for all aged persons. It was also made available for disabled and blind recipients of SSI benefits. Unfortunately, several jurisdictions have no SSI program and, in its place, are still operating the Aid to the Permanently and Totally Disabled (APTD) and Aid to the Blind (AB) programs pursuant to titles X and IV of the Social Security Act.

The amendment extends the medical deduction to disabled and blind recipients of APTD and AB.

Although it is impolitic to mention areas that have no SSI program but instead implement the APTD and AB programs, those areas are Puerto Rico, Guam, and the Virgin Islands.

AMENDMENT TO EXTEND THE MEDICAL DEDUCTION FOR PARTICIPANTS IN THE AID TO THE PERMANENTLY AND TOTALLY DISABLED (APTD) and AID TO THE BLIND (AB) PROGRAMS

The fourth and last sentences of section 5(e) of the Food Stamp Act of 1977, as amended, are amended by --

(1) inserting after "disability", each time it appears in those sentences, the following: "and blindness"; and

(2) striking out "title II", each time it appears in those sentences, and inserting in lieu thereof: "titles II, X and XIV".

AMENDMENT OFFERED BY Richmond

TO H.R. 4318

STATE OPTION ON ADMINISTRATIVE FRAUD HEARINGS

Section 6(b) of the Act is amended by inserting at the end thereof the following: "Each State agency shall have the option to proceed against such alleged fraudulent activity either by way of administrative fraud hearings in accordance with paragraph (1) or by way of referring such matters to appropriate legal authorities for civil or criminal action in accordance with paragraph (2) of this subsection, or both.".

EXPLANATION

This amendment would clarify each State's right to proceed against fraudulent persons either by way of the existing civil-criminal legal system or by way of newly-established administrative proceedings. No State would have to create an administrative structure if it chose to follow the existing route.

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AMENDMENT OFFERED BY MR. RICHMOND
TO H.R. 4318

STATE INCENTIVES FOR REDUCING ERROR

Amend section 8 as follows:

Delete everything after "Sec. 8" on page 12, line 5 through "reasonable" on line 12 and insert the following:

Section 16(c) of the Food Stamp Act of 1977, as amended, is amended as follows:

(1) Deleting "Effective October 1, 1978," and capitalizing "the";

(2) Inserting "(1) effective October 1, 1978," after the phrase "such share to";

(3) Inserting "(A)" after the phrase "State agency";

(4) Inserting "semiannual" before "cumulative";

(5) Deleting the period after "centum" and inserting the following: "and (B) whose rate of invalid decisions in denying eligibility as calculated in the quality control program undertaken pursuant to subsection (d)(1) of this section is less than a nationwide percentage that the Secretary determines to be reasonable,";

(6) Deleting the period at the end thereof and inserting the following:

"(2) effective October 1, 1980, 65 per centum of all such administrative costs in the case of a State agency meeting the standards contained in paragraph (1) of this subsection,

"(3) effective October 1, 1980, 60 per centum of all such administrative costs in the case of a State agency (A) whose annual rate of error reduction equals or exceeds 20 per centum, and (B) whose payment error rate for the period in question is less than the national standard payment error rate, and

"(4) effective October 1, 1980, 55 per centum of all such administrative costs in the case of a State agency whose annual rate of error reduction equals or exceeds 20 per centum, but no State agency shall be eligible for more than one of these adjusted federally funded shares of administrative costs.".

EXPLANATION

This amendment is designed to provide incentives to reduce error by means of increased administrative cost-sharing. The ordinary 50 percent share, which was increased in the 1977 Act to 60 percent for States with exceptionally low error rates (under 5 percent) would rise to 65 percent as of October 1, 1980. Other States which were able to register significant improvement in program administration resulting in a reduction in their error rates of 20 percent or more would receive a 10 percent bonus to 60 percent (if their overall error rate ended up less than the national standard) or of 5 percent to 55 percent (if they still exceeded the national standard despite substantial improvement).

AMENDMENT OFFERED BY MR. HARKIN
TO H.R. 4318

STATE COMPLIANCE WITH LAW

Amend section 16(b) of the Food Stamp Act by deleting the last sentence thereof.

Amend section 11(g) of the Food Stamp Act by--

(1) inserting after "determines" the following: ", upon information received by the Secretary, investigation initiated by the Secretary or investigation that he shall initiate upon the filing of sufficient complaints by applicant or participating households to evidence a pattern of lack of compliance by a State agency of a type specified below,";

(2) deleting the "or" before "the State plan of operation";

(3) inserting after "section" the following: "or the Secretary's standards for the efficient and effective administration of the program established pursuant to section 16(b)(1) of this Act,";

(4) deleting the period at the end of the second sentence and inserting thereafter the following: "and, whether or not the Secretary does refer such matter to the Attorney General, the Secretary shall proceed to withhold from the State such funds authorized under section 16(a) and (c) of this Act as the Secretary determines to be appropriate.".

AMENDMENT OFFERED BY Richmond

TO H.R. 4318

FOOD STAMP FRAUD CLEARINGHOUSE

Section 11 of the Food Stamp Act of 1977 is amended by adding at the end thereof the following new subsection:

"(l) The Secretary shall establish and maintain a Food Stamp Fraud Clearinghouse to assist State agencies in enforcing the provisions of this Act. Such clearinghouse shall be maintained for the purpose of collecting and disseminating information with respect to households referred to in section 6(b). Such information shall be made available only to State agencies requesting such information for purposes of determining the eligibility of individuals and households to participate in the food stamp program.".

EXPLANATION

This amendment incorporates the Fraud Clearinghouse proposed by Rep. Hance in H.R. 4824.

AMENDMENT TO H.R. 4318

OFFERED BY MR. Richmond

WORKFARE EXPERIMENT REVISIONS

1. Section 17(b)(2) of the Act is amended by deleting everything after "Act" in the last sentence thereof and inserting in lieu thereof the following: "shall issue interim reports no later than October 1, 1979, October 1, 1980, and March 30, 1981, shall issue a final report describing the results of such pilot projects based upon their operation from their commencement through the fiscal year ending September 30, 1981, and shall pay to the agencies or organizations operating such pilot projects 50 per centum of all administrative costs involved in such operation.".

2. The provisions of section 17(b)(2) of this Act involving sharing of administrative costs shall be effective upon the date of enactment of this Act.

EXPLANATION

These two amendments are designed to require the Secretary to subsidize 50 percent of the administrative costs of the workfare pilot projects and, accordingly, extend their duration (with the new administrative cost-sharing feature) until the termination of the Act on September 30, 1981.

AMENDMENT BY MR. Richmond

TO H.R. 4318

CAP

Page 14, line 9, delete "1978" and insert "1979".

Page 14, delete everything from "not" in line 10 through "1979" in line 12".

EXPLANATION

This amendment would remove the cap for fiscal years 1980 and 1981.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, November 15, 1979

(Sub) Committee on Forests

Meeting: Public hearing

Subject: To consider energy development and wood utilization

Bill Nos. H.R. 5397; H.R. 5428; H.R. 4313; H.R. 5220

The Forests (Sub) Committee

met in Open Session at 10:10 am o'clock, in Room 1302

The following Members were present:

		Also Present
Mr. Weaver	Mr.	Mr. Fithian
Mr. Huckaby	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Bob Franks, Associate Counsel
Gary Norton, Assistant Counsel
Peggy Thomson, Subcommittee Staff Consultant
Kate Garvin, Legal Intern
Rita DiSimone, Staff Assistant
Eleanor Walsh, Staff Assistant

Witnesses:

1. Honorable Norman E. D'Amours, Member of Congress from New Hampshire

2. Honorable Floyd J. Fithian, Member of Congress from Indiana

3. Dr. M. Rupert Cutler, Assistant Secretary for Natural Resources and Environment, U.S. Department of Agriculture

   Acc. by: Mr. Douglas Leisz, Deputy Chief, U.S. Forest Service
   Dr. Weldon Barton, Director, Department of Energy
   U.S. Department of Agriculture

4. Dr. Bennett Miller, Program Director, Solar, Geothermal, Electric and Storage Systems, U.S. Department of Energy

   Acc. by: Mr. Sanford Harris, Chief, Biomass Systems Energy Branch

Statements Filed:

N O N E

Thursday, November 15, 1979
Subcommittee on Forests
Public Hearing
To consider energy development
and wood utilization
H.R. 5397; H.R. 5428; H.R. 4313;
H.R. 5220

Chairman Weaver called the meeting to order and made a brief opening statement. The witnesses listed on page 2 of these minutes were then recognized for their prepared statements. Following presentation of their testimony, the witnesses were questioned by the Members of the Subcommittee.

During the hearing one recess was taken at 10:45 a.m. to enable Members to respond to a record vote on the House floor.

At 12:10 p.m. Chairman Weaver adjourned the meeting subject to the call of the Chair.

Eleanor Walsh

Eleanor Walsh

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date November 15, 1979

~~(SUB)~~ Committee on Agriculture jointly with Committee on Foreign Affairs

Meeting: Public hearing

Subject: to review the operation of the Agricultural Trade Act of 1978

Bill Nos.

The above-named ~~(SUB)~~ XXXX Committees

met in public hearing Session at 10:15 a.m. o'clock, in Room 2172 RHOB.

The following Members were present:

		Foreign Affairs Members
Mr. Bowen	Mr. Findley	Mr. Zablocki
Mr. Richmond	Mr. Madigan	Mr. Lagomarsino
Mr. Baldus	Mr. Grassley	Mr.
Mr. Bedell	Mr. Hagedorn	Mr.
Mr. Panetta	Mr. Coleman	Mr.
Mr. Skelton	Mr. Hopkins	Mr.
Mr. Daschle	Mr.	Mr.
Mr. Hance	Mr.	Mr.
Mr. Stenholm	Mr.	Mr.
Mr. Foley	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

Agriculture Committee:
Christine Abram, Staff Assistant
James Culver, Staff Assistant
Bert Pena, Subcommittee Staff Consultant
Jim Tippett, Staff Assistant
Bob Bor, Chief Counsel

Foreign Affairs:
George Ingram,
Staff Consultant

Action taken:

Witnesses:

1. Mr. Thomas R. Saylor, Associate Administrator, Foreign Agricultural Service, U.S. Department of Agriculture
   Acc. by: Mr. Kelly Harrison, General Sales Manager, USDA

2. Mr. Robert Rumler, Holstein-Friesian Cattle Association, Brattleboro, Vermont

3. Mr. Durwood Laughinghouse for U.S. Feed Grains Council and National Corn Growers Association
   Acc. by: Mr. Darwin Stolte, President, U.S. Feed Grains Council, Washington, D.C.
   Mr. Michael Hayenga, Executive Director, National Corn Growers Association, Des Moines, Iowa

4. Mr. Allan Aves, President, American Soybean Association, Washington, D.C.

5. Mr. Glenn Tussey, Assistant Director, American Farm Bureau Federation, Washington, D.C.

Statements Filed:

November 15, 1979
Full Committee, jointly with
Foreign Affairs Committee
Public Hearing
Operation of Agricultural Trade Act of
1978

Chairman Zablocki called the meeting to order at 10:15 a.m. for the purpose of hearing the witnesses listed on page 2 of these Minutes.

Following their testimony, the witnesses were questioned by the Members of the Committees.

A brief recess was called at 10:43 a.m. to allow Members to respond to a rollcall vote on the floor of the House. Following this recess, Chairman Foley took the Chair of the hearing.

The hearing was adjourned at 12:25 p.m., subject to the call of the chair.

Christine D. Abram

Christine Abram

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date November 20, 1979

(Sub) Committee on Dairy and Poultry

Meeting: Public Field Hearings

Subject: General Dairy Issues

Bill Nos. _____

The Dairy and Poultry (Sub) Committee

met in Open Session at 10:00 A.M. o'clock, in Room Packer Hall
Midway Motor Lodge
Eau Claire, Wisconsin

The following Members were present:

Mr. Baldus	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.

Staff present:

Alan Zepp, Subcommittee Staff Consultant

Action taken:

Witnesses:

See attached lists

Statements Filed:

1. Mr. Leland Mulder
   President
   Wisconsin Farmers Union
   117 W. Spring
   Chippewa Falls, Wisconsin 54729

2. Mr. Jim Mulhern
   Farmers Union Milk Marketing Coop.
   1400 E. Washington Avenue
   Madison, Wisconsin 53704

3. Mr. Steven Pavich
   President
   National Farmers Organization (NFO)
   825 Water Street
   Sauk City, Wisconsin 53583

4. Mr. Jim Ziegweid
   Member
   National Farmers Organization
   Route 1, Box 214
   Arcadia, Wisconsin 54612

5. Mr. Donald Haldeman
   President
   Wisconsin Farm Bureau
   P. O. Box 5550
   Madison, Wisconsin 53705

6. Mr. Irv Elkin
   President
   Associated Milk Producers, Inc.
   Route 4
   Amery, Wisconsin 54001

7. Mr. David Crusius
   Executive Secretary
   Wisconsin Cheesemakers Association
   115 W. Main Street
   Madison, Wisconsin 53703

8. Mr. Norman Meier
   Executive Director
   Wisconsin Dairy Products Association, Inc.
   2805 E. Washington Avenue
   Madison, Wisconsin 53704

9. Mr. Herbert Selbrede
   President
   Wisconsin Dairies
   Sparta, Wisconsin 54656

10. Mr. Neal Walker
Manager
New Zealand Milk Products, Inc.
6300 River Road
Rosemont, Illinois 60018

11. Honorable Gary Rohde
Secretary
Department of Agriculture, Trade,
Consumer Protection
State of Wisconsin
Box 8911
Madison, Wisconsin 53708

12. Dr. Truman Graf
Professor of Agricultural Economics
University of Wisconsin
1450 Linden Drive
Madison, Wisconsin 53706

13. Mr. Rodney Nilsestuen
Executive Secretary
Wisconsin Federation of Cooperatives
122 W. Washington
Madison, Wisconsin 53715

14. Mr. George Cornell
Senior Vice President
L. D. Schreiber Cheese Company
425 Pine Street
Green Bay, Wisconsin 54305

15. Mr. Tom Ottery
Secretary
Wisconsin Milk Haulers Association
Route 6, Box 303
Fond du Lac, Wisconsin 54935

16. Mr. Joe Oberweiss
Oberweiss Dairy, Inc.
945 North Lake Street
Aurora, Illinois 60506

Tuesday, November 20, 1979
Dairy and Poultry Subcommittee
Field Hearing, Eau Claire, Wisconsin
General Dairy Issues

Representative Baldus, Chairman, called the meeting to order and made an opening statement, in which he addressed several dairy issues.

Testimony was heard from 16 witnesses and all were questioned by the Subcommittee.

The meeting was adjourned at 4:55 p.m.

Alan P. Zepp

Alan Zepp

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, November 29, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Extra long staple cotton; Waiver of 30-day requirement on purchase of land by Forest Service

Bill Nos. H.R. 5523

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr. Stenholm	Mr. Wampler
Mr. de la Garza	Mr.	Mr. Sebelius
Mr. Jones (Tenn.)	Mr.	Mr. Findley
Mr. Mathis	Mr.	Mr. s Heckler
Mr. Bowen	Mr.	Mr. Jeffords
Mr. Rose	Mr.	Mr. Kelly
Mr. Richmond	Mr.	Mr. Grassley
Mr. Baldus	Mr.	Mr. Marlenee
Mr. Harkin	Mr.	Mr. Hopkins
Mr. Bedell	Mr.	Mr. Thomas
Mr. English	Mr.	Mr.
Mr. Fithian	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Whitley	Mr.	
Mr. Hance	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
Bob Lowerre, Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Glenda Temple, Clerk
John Waits, Subcommittee Staff Consultant
Kate Garvin, Staff Assistant
Linda Miller, Staff Assistant
Peggy Thomson, Subcommittee Staff Consultant

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Witnesses:

Representing the U.S. Department of Agriculture on H.R. 5523:

1. Mr. Charles Cunningham, Agricultural Conservation and Stabilization Service, USDA.

Representing the U.S. Department of Agriculture concerning the waiver of the 30-day oversight requirements in section 17(b) of the National Forest Management Act of 1976:

1. Mr. Raymond M. Housley, Associate Deputy for National Forest System.

2. Mr. Ralph Bauman, Lands Division, National Forest System.

3. Mr. Dan McGrath, Forest Service Liaison.

Statements Filed:

None

Thursday, November 29, 1979
Full Committee
Business Meeting
Extra long staple cotton; Waiver of 30-day requirement on purchase of land by Forest Service

Action Taken:

-- By unanimous voice vote Thomas amendment to delete section 2 agreed to.

-- By unanimous voice vote H.R. 5523, as amended, ordered favorably reported to the House in the presence of a quorum.

Chairman Foley called the meeting to order for the consideration of H.R. 5523, a bill to establish an improved program for extra long staple cotton. Mr. Bowen, Chairman of the Subcommittee on Cotton, was recognized to explain the provisions of the bill.

Discussion occurred. Mr. Thomas offered an amendment to delete section 2 and discussion continued. By a unanimous voice vote the Thomas amendment was approved with appropriate report language.

Mr. Bowen moved that H.R. 5523, as amended, be ordered favorably reported to the House and by a unanimous voice vote the motion was agreed to in the presence of a quorum (22 Members present at the time the vote was taken).

At 11:40 a.m. the Committee recessed to respond to a recorded vote on the House floor. Upon reconvening, the Committee discussed informally a request from the Forest Service that the 30-day oversight requirements in section 17(b) of the National Forest Management Act of 1976 be waived on the Sam Houston National Forest in Texas to permit acceptance of options prior to the expiration date on November 30, 1979. The Members present had no objection to the waiver and staff was directed to poll the remainder of the Committee, and advise the Forest Serivce of the action of the Committee.

At 12:20 p.m. the meeting was adjourned, to reconvene on Tuesday, December 4, for consideration of H.R. 5907, Food Stamp Act Amendments of 1980, and H.R. 4718, Forestry Loan Act of 1979.

Glenda Temple

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, December 5, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: Forestry Loan Act of 1979

Bill Nos. H.R. 4718

The Full ~~(Sub)~~ Committee

met in open Session at 10:30 a.m. o'clock, in Room 1301

The following Members were present:

Mr.	Foley	Mr.	Daschle	Mr.	Wampler
Mr.	de la Garza	Mr.	Hance	Mr.	Sebelius
Mr.	Jones (Tenn.)	Mr.	Anthony	Mr.	Johnson
Mr.	Mathis	Mr.	Stenholm	Mr.	Coleman
Mr.	Richmond	Mr.		Mr.	Marlenee
Mr.	Nolan	Mr.		Mr.	Hopkins
Mr.	Weaver	Mr.		Mr.	
Mr.	Baldus	Mr.		Mr.	
Mr.	Harkin	Mr.		Mr.	
Mr.	English	Mr.		Mr.	
Mr.	Fithian	Mr.		Mr.	
Mr.	Panetta	Mr.		Mr.	
Mr.	Huckaby	Mr.		Mr.	
Mr.	Glickman	Mr.		Mr.	
Mr.	Akaka	Mr.			
Mr.	Coelho	Mr.			

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Gary Norton, Assistant Counsel
Glenda Temple, Clerk
Peggy Thomson, Subcommittee Staff Consultant
Rita DiSimone, Staff Assistant

Witnesses:

None

Statements Filed:

None

Wednesday, December 5, 1979
Full Committee
Business Meeting
Forestry Loan Act of 1979
H.R. 4718

Action Taken:

-- Two points of order by Mr. Johnson on lack of quorum not sustained by quorum calls of 18 and 21.

-- By a voice vote a series of amendments by Mr. Huckaby agreed to.

-- Without objection, technical amendments offered by Mr. Huckaby approved.

-- By a roll call vote of 21 yeas-16 nays, the substitute to H.R. 4718, as amended, adopted.

-- Weaver motion to report H.R. 4718, amended, agreed to by roll call vote of 21 yeas-15 nays but vote vacated due to lack of quorum.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Weaver
4. Mr. Baldus
5. Mr. English
6. Mr. Panetta
7. Mr. Huckaby
8. Mr. Glickman
9. Mr. Daschle
10. Mr. Hance
11. Mr. Anthony
12. Mr. Stenholm
13. Mr. Wampler
14. Mr. Sebelius
15. Mr. Johnson
16. Mr. Coleman
17. Mr. Marlenee
18. Mr. Hopkins
19. Mr. Foley
20. Mr. Richmond
21. Mr. Harkin
22. Mr. Coelho

Twenty-two Members having responded, a quorum was established.

Mr. Weaver, Chairman of the Subcommittee on Forests, was recognized to explain the provisions of H.R. 4718, as reported by the Subcommittee (copy of Subcommittee amendment attached). Mr. Huckaby, the principal author of the legislation, also explained the provisions of the bill.

Discussion occurred and Mr. Johnson made a point of order that a quorum was not present. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. Richmond
2. Mr. Nolan
3. Mr. Weaver
4. Mr. Coelho
5. Mr. Anthony
6. Mr. Stenholm
7. Mr. Wampler
8. Mr. Sebelius
9. Mr. Johnson
10. Mr. Foley
11. Mr. Harkin
12. Mr. English
13. Mr. Panetta
14. Mr. Huckaby
15. Mr. Glickman
16. Mr. Hance
17. Mr. Daschle
18. Mr. Baldus

Eighteen Members having responded, a one-third quorum was established pursuant to previous notice under Committee Rules.

Discussion continued and Mr. Huckaby offered the attached series of amendments. Discussion occurred and Mr. Huckaby moved the previous question on the amendments. Mr. Johnson objected and made a point of order that a quorum was not present. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. Richmond
2. Mr. Weaver
3. Mr. Huckaby
4. Mr. Akaka
5. Mr. Coelho
6. Mr. Hance
7. Mr. Anthony
8. Mr. Stenholm
9. Mr. Wampler
10. Mr. Sebelius
11. Mr. Johnson
12. Mr. Foley
13. Mr. Mathis
14. Mr. Baldus
15. Mr. Glickman
16. Mr. English
17. Mr. Daschle
18. Mr. Harkin
19. Mr. Panetta
20. Mr. Jones (Tenn.)
21. Mr. Marlenee

Twenty-one Members having responded a one-third quorum was established pursuant to previous notice under Committee Rules.

By a voice vote the previous question was ordered. By a voice vote the Huckaby amendments were agreed to.

Mr. Huckaby offered the attached technical amendments and asked that staff be permitted to make them to the bill. Without objection the technical amendments were adopted.

Mr. Weaver moved that the Subcommittee print, as amended, be approved. Mr. Johnson objected to the vote on the grounds that a quorum was not present. The Chairman suggested that a recorded vote be taken on the Weaver motion and Mr. Johnson withdrew his reservation. The vote follows:

Wednesday, December 5, 1979
Full Committee
Business Meeting
Forestry Loan Act of 1979
H.R. 4718

YEAS

1. Mr. Mathis
2. Mr. Richmond
3. Mr. Weaver
4. Mr. Huckaby
5. Mr. Akaka
6. Mr. Coelho
7. Mr. Hance
8. Mr. Anthony
9. Mr. Stenholm
10. Mr. Foley
11. Mr. Brown (proxy to Mr. Huckaby)
12. Mr. Skelton (proxy to Mr. Huckaby)
13. Mr. Glickman
14. Mr. Daschle
15. Mr. Jones (N.C.)(proxy to Mr. Foley)
16. Mr. Baldus
17. Mr. Jones (Tenn.)
18. Mr. Harkin
19. Mr. English
20. Mr. Bowen (proxy to Mr. Huckaby)
21. Mr. de la Garza

NAYS

1. Mr. Wampler
2. Mr. Johnson
3. Mr. Panetta
4. Mr. Sebelius (proxy to Mr. Johnson)
5. Mr. Findley (proxy to Mr. Johnson)
6. Mr. Symms (proxy to Mr. Johnson)
7. Mr. Madigan (proxy to Mr. Johnson)
8. Mrs. Heckler (proxy to Mr. Johnson)
9. Mr. Jeffords (proxy to Mr. Johnson)
10. Mr. Kelly (proxy to Mr. Johnson)
11. Mr. Grassley (proxy to Mr. Johnson)
12. Mr. Hagedorn (proxy to Mr. Johnson)
13. Mr. Coleman (proxy to Mr. Johnson)
14. Mr. Marlenee (proxy to Mr. Johnson)
15. Mr. Hopkins (proxy to Mr. Johnson)
16. Mr. Thomas (proxy to Mr. Johnson)

Thus, by a roll call vote of 21 yeas-16 nays the substitute bill, as amended, was approved. Twenty Members were present and voting and a one-third quorum was established pursuant to previous notice under Committee Rules.

Mr. Weaver moved that H.R. 4718, amended, be ordered favorably reported to the House and by a voice vote the motion was approved. Chairman Foley requested a recorded vote and the vote follows:

YEAS

1. Mr. de la Garza
2. Mr. Jones (Tenn.)
3. Mr. Mathis
4. Mr. Brown (proxy to Mr. Huckaby)
5. Mr. Richmond
6. Mr. Weaver
7. Mr. Baldus
8. Mr. Harkin
9. Mr. English
10. Mr. Huckaby
11. Mr. Akaka (proxy to Mr. Huckaby)
12. Mr. Coelho
13. Mr. Daschle
14. Mr. Hance
15. Mr. Anthony
16. Mr. Stenholm
17. Mr. Foley
18. Mr. Jones (N.C.)(proxy to Mr. Foley)
19. Mr. Bowen (proxy to Mr. Huckaby)
20. Mr. Skelton (proxy to Mr. Huckaby)
21. Mr. Glickman

Wednesday, December 5, 1979
Full Committee
Business Meeting
Forestry Loan Act of 1979
H.R. 4718

N A Y S

1. Mr. Panetta
2. Mr. Wampler
3. Mr. Johnson
4. Mr. Sebelius (proxy to Mr. Johnson)
5. Mr. Findley (proxy to Mr. Johnson)
6. Mr. Symms (proxy to Mr. Johnson)
7. Mr. Madigan (proxy to Mr. Johnson)
8. Mrs. Heckler (proxy to Mr. Johnson)
9. Mr. Kelly (proxy to Mr. Johnson)
10. Mr. Grassley (proxy to Mr. Johnson)
11. Mr. Hagedorn (proxy to Mr. Johnson)
12. Mr. Coleman (proxy to Mr. Johnson)
13. Mr. Marlenee (proxy to Mr. Johnson)
14. Mr. Hopkins (proxy to Mr. Johnson)
15. Mr. Thomas (proxy to Mr. Johnson)

Thus, by a roll call vote of 21 yeas-15 nays the motion was agreed to. However, only 19 Members (an insufficient number) were present and voting and the vote was vacated.

Thus, at 11:30 a.m. the meeting was adjourned to reconvene at 10:30 a.m. on Thursday, December 6, at which time the pending business of the Committee will be final passage of the bill H.R. 4718, and consideration of H.R. 5907, Food Stamp Act Amendments of 1980.

Glenda Temple

[COMMITTEE PRINT]

OCTOBER 22, 1979

96TH CONGRESS
1ST SESSION

H. R. 4718

(As reported with an amendment in the nature of a substitute by the Subcommittee on Forests, October 11, 1979)

To authorize and direct the Secretary of Agriculture to conduct a pilot program of loans providing for periodic disbursements to owners of nonindustrial private forest lands.

IN THE HOUSE OF REPRESENTATIVES

JULY 10, 1979

Mr. HUCKABY introduced the following bill; which was referred to the Committee on Agriculture

---

A BILL

To authorize and direct the Secretary of Agriculture to conduct a pilot program of loans providing for periodic disbursements to owners of nonindustrial private forest lands.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[Original bill language does not appear in this print.]

That this Act may be cited as the "Forestry Loan Act of 1979".

FINDINGS AND POLICY

SEC. 2. The Congress hereby finds and declares that—

(1) adequate supplies of timber and other forest resources are essential to the Nation's well-being;

(2) the Nation's publicly owned forests cannot alone supply needed timber and wood products;

(3) the Nation's capacity to produce timber, wood products, and wood for energy purposes is significantly dependent on nonindustrial private forest lands;

(4) substantial investment if often needed to increase the productivity of forest lands;

(5) long timber rotation periods and the lack of regular periodic returns from forestry investments may discourage nonindustrial owners of private forest lands from managing their timberlands at levels of high productivity;

(6) the availability and cost of capital can be a significant determining factor in a forest landowner's decision as to whether or nor to undertake a forest management program;

(7) nonindustrial owners of private forest land frequently are unable to obtain credit at rates and terms sufficiently reasonable to enable them to undertake a forest management program;

(8) therefore, it is in the national interest for the Secretary of Agriculture to conduct a pilot program to determine whether loans providing periodic disbursements to nonindustrial owners of private forest land would result in increased productivity of such land; and

(9) it is the intent of Congress that, provided the program is feasible, it should ultimately be placed within the private sector.

ESTABLISHMENT OF PROGRAM

SEC. 3. (a) In order to encourage nonindustrial owners of private forest land to implement and maintain forest management programs, and thereby increase the production of industrial wood, the Secretary of Agriculture (hereafter in this Act referred to as the "Secretary") is authorized and directed to conduct a pilot program of financial assistance to such owners. The program may include but shall not be limited to: (1) Insuring and guaranteeing loans which will provide periodic loan disbursement to eligible landowners, and (2) consolidating for resale in private capital markets the loan obligations of individual landowners. The pilot program shall be operated in all appropriate counties of at least five States selected by the Secretary: *Provided,* That at least two of such States shall be located west of the one hundredth meridian.

(b)(1) This pilot program shall operate for five full fiscal years, beginning with the first fiscal year for which funds are first provided for the operation of the program but not prior to the fiscal year which begins on October 1, 1980. No new loans shall be insured or guaranteed after the fifth fiscal year of operation of the pilot program.

(2) The cumulative total of the principal of loans guaranteed under this Act shall not exceed $25,000,000.

(3) The cumulative total of the principal of loans insured under this Act shall not exceed $25,000,000.

(c) The Secretary may in the case of insured loans defer, subject to the provisions of section 5(j), the repayment of principal and interest under such conditions as the Secretary shall deem appropriate.

(d) Any contract of insurance or guarantee executed by the Secretary under this Act shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

(e) The provisions of section 310B(d)(6) of the Consolidated Farm and Rural Develpment Act shall apply to loans insured or guaranteed under this Act.

ELIGIBLE BORROWERS

SEC. 4. Any individual who, or any group, Indian tribe or other native group, association, partnership, corporation,

or other legal entity which owns forest land capable of producing industrial wood shall be eligible to receive guaranteed and insured loans under this Act if such person—

(1) owns less than 1,000 acres of land capable of producing industrial wood: *Provided,* That the Secretary may approve guaranteed and insured loans under this Act of persons owning more than one thousand acres but not more than five thousand acres of such land if significant public benefits will accrue;

(2) is not principally engaged in the manufacture of wood products; and

(3) certifies in writing that such person is unable to obtain sufficient credit elsewhere at rates and terms comparable to those provided in this Act.

TERMS AND CONDITIONS

SEC. 5. (a) The Secretary shall not insure or guarantee any loan under this Act in which the total loan obligation exceeds 80 per centum of the projected market value of the timber as provided in section 5(f).

(b) The total period of time for a loan insured or guaranteed under this Act shall be determined by the Secretary consistent with the purposes of this Act and the individual forest management plan, including, but not limited to, rates of current and expected growth.

(c) The Secretary may guarantee to any Federal or State chartered bank, savings and loan association, cooperative lending agency, Federal land bank, or other legally organized lending institution approved by the Secretary, 90 per centum of that portion of the overall loan obligation which exceeds the market value of the assets securing the loan in the event of default by the landowner.

(d) Loans provided under this Act shall be made upon the personal liability of the borrower and shall be secured by either (1) land or (2) timber or (3) land and timber. The lender may require additional security which may include insurance on the timber crop against natural hazards, if such insurance is available, or other appropriate available insurance.

(e) Loans guaranteed under this Act shall bear interest at rates to be agreed upon by the lender and landowner but not in excess of a rate as may be determined by the Secretary. Loans insured under this Act shall bear interest at such rate or rates as are determined by the Secretary, but not less than such rates as determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted in the judgment of the Secretary of the Treasury to provide for rates comparable

to the rates prevailing in the private market for similar loans and considering the Secretary's insurance of the loans, plus an additional charge, prescribed by the Secretary, to cover the Secretary's losses and cost of administration, which charge shall be deposited in the Rural Development Insurance Fund, and further adjusted to the nearest one-eighth of 1 per centum.

(f) The landowner shall prepare, keep current, and adhere to an individual forest management plan which shall be developed in cooperation with and be approved by the State forester or equivalent State official and which shall describe the activities needed to establish commercial forests, or maintain or increase the productivity of the landowner's forest land. The forest management plan shall include, but not be limited to, data on types of values of timber to be grown; projected market values of the timber; existing forest stand and site conditions; rates of current and expected growth; and volumes and values of timber to be harvested during the period of the loan. The projected market value of the timber to be harvested during the loan period shall serve as the basis for determining the total loan obligation, including the principal of the loan. The landowner may use the loan proceeds in any manner he deems appropriate, as long as the provisions of the forest management plan and loan agreement are observed. The Secretary shall encourage landowners and

State foresters or equivalent State officials to use private consulting foresters, agencies, organizations, and firms to the extent possible for the preparation of individual forest management plans. The preparer of the forest management plan shall encourage the development of a plan for the landowner's entire forested property, consistent with sound forestry practices and the individual landowner's ownership objectives.

(g) The amount of the periodic loan disbursement shall be based upon the projected market value of the timber as estimated in the forest management plan, but in no case shall the total principal and interest obligation exceed 80 per centum of the projected market value of the timber as estimated in the forest management plan.

(h) Individual loan agreements and forest management plans may be periodically reviewed by the lender, landowner, the preparer of the forest management plan, and in the case of guaranteed loans by the Secretary. Following such review, the loan period, principal amount, interest rate, and amount and interval of the periodic disbursement may be adjusted as agreed by both landowner and lender and in the case of guaranteed loans by the Secretary.

(i) At the discretion of the lender, and with the approval of the Secretary, loans guaranteed under this Act may, upon the application of the landowner, be transferred to and as-

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sumed by a new nonindustrial landowner who agrees to the terms and conditions of the loan, assumes any outstanding liability and obligations thereunder and who otherwise qualifies under the provisions of this Act.

(j) The landowner shall be entitled to prepay without penalty all or any part of the outstanding loan obligation insured or guaranteed pursuant to the provisions of this Act. Income from the sale of timber covered by the loan agreement shall be applied to the outstanding loan obligation: *Provided,* That the periodic loan disbursements may continue over the full term of the loan, even if payments applied to the loan obligation are made during the loan period.

(k) Any loan insured or guaranteed under this section may be terminated by the Secretary if the Secretary determines that the landowner has failed to comply with the obligations imposed upon such landowner by the forest management plan approved by the Secretary as part of the loan agreement. In the event such loan is terminated the landowner shall be required to repay immediately the principal of such loan plus any accrued interest.

(l) Except for guaranteed loans, the landowner shall agree that if at any time it shall appear to the Secretary that the landowner may be able to obtain a loan from any Federal or State chartered bank, savings and loan association, cooperative lending agency, Federal land bank, or other legally

organized lending institution at rates and terms comparable to those provided for in this Act, for loans for similar purposes and periods of time, the landowner shall, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan.

PROGRAM DEVELOPMENT AND EVALUATION COMMITTEE

SEC. 6. To advise in the development of the program, and to aid in preparing recommendations regarding the continuation and expansion of the program, the Secretary shall appoint a committee of not less than five persons, including, but not limited to, representatives from public agencies, private lending institutions, private forestry concerns, and individual landowners. The Secretary shall also consult with the committee in the preparation of such reports as required in section 8 of this Act. Individuals who serve on the committee and who are not employed by the Federal Government, shall be paid such compensation for their services as the Secretary shall determine but such compensation shall not exceed the daily equivalent of the rate prescribed for grade GS–18 in section 5332 of title 5 of the United States Code per day when actually employed, and actual necessary traveling and subsistence expenses or a per diem allowance in lieu of subsistence expenses, as authorized by section 5703 of title 5 of

the United States Code for persons in Government service employed intermittently, when advising on the program away from their homes or regular places of business.

RULES AND REGULATIONS

SEC. 7. The Secretary shall, within one hundred and twenty days after the date of the enactment of this Act, and in accordance with section 553 of title 5, United States Code, promulgate such final rules and regulations as the Secretary deems appropriate to implement the provisions of this Act. The Secretary may, in accordance with such section, promulgate rules and regulations modifying the rules and regulations promulgated under the preceding sentence.

REPORTS

SEC. 8. The Secretary shall report annually to the Congress on the progress of the pilot program authorized by this Act. The first such report shall be submitted upon completion of the first fiscal year of operation of the program authorized by this Act. The final report shall be submitted prior to completion of the fifth fiscal year of operation and shall include the Secretary's recommendation on whether additional loans shall be insured or guaranteed.

APPROPRIATION AUTHORIZATION

SEC. 9. (a) This program shall be funded using funds drawn from the Rural Development Insurance Fund established under section 309A of the Consolidated Farm and

Rural Development Act and subject to the provisions governing such fund. The Secretary may use such funds for (1) making insured loans to eligible borrowers under this Act, and (2) guaranteeing individual loans under this Act in the event of defaults by eligible landowners.

(b) There are hereby authorized to be appropriated such sums as may be necessay for the purposes of administrative expenses, including reimbursement to State foresters or equivalent State officials, and reimbursement to the Rural Development Insurance Fund for funds withdrawn for the operation of the program. Such sums shall remain available until expended.

○

AMENDMENTS TO H.R. 4718
OFFERED BY MR. HUCKABY

1. Page 4, strike out lines 7 through 10 and insert in lieu thereof:

"(2) the cumulative total of the principal of and interest on loans guaranteed and insured under this Act shall not exceed $50,000,000: Provided, That not in excess of 80 per centum of such amount shall be for insured loans.";

2. Page 5, lines 4-9, revise paragraph (1) to read as follows:

"(1) owns less than 500 acres of land capable of producing industrial wood;";

3. Page 5, line 24, insert immediately after the words "expected growth":

": Provided, That such period shall not be in excess of fifteen years for loans insured or guaranteed with respect to existing stands of timber and 30 years for loans insured or guaranteed with respect to land which is to be forested";

4. Page 5, lines 16-19, amend section 5(a) to read as follows:

"Sec. 5. (a) The Secretary shall not insure or guarantee any loan under this Act in which the total loan obligation exceeds 50 per centum of the projected market value of the timber as provided in section 5(f): Provided, That periodic loan disbursements shall not exceed $25 per acre per year.";

Page 8, lines 12-13, strike out "80 per centum" and insert in lieu thereof "50 per centum"; and

5. Page 7, line 20, strike out "to be harvested during" and insert in lieu thereof "at the end of".

EXPLANATION OF AMENDMENTS

1. Provide that the total amount of principal and interest of guaranteed and insured loans may not exceed $50,000,000, provided, that not more than 80 percent may be for insured loans;

2. Limit to 500 acres the maximum amount of land a borrower may own for eligibility in the program;

3. Limit the maximum period of loan disbursements to 15 years for existing stands of timber and 30 years for forestation;

4. Provide that the total loan obligation may not exceed 50 percent of the projected market value of the timber at the end of the loan period; and

5. Limit the annual loan disbursement to each borrower to an amount not in excess of $25 per acre.

AMENDMENT TO H.R. 4718

Offered by MR. HUCKABY

Page 12, after line 12, insert a new subsection (c) as follows:

"(c) Commitments to insure or guarantee loans are authorized for any fiscal year only to the extent or in such amounts as provided in appropriation acts.".

TECHNICAL AMENDMENTS TO H.R. 4718
OFFERED BY MR. HUCKABY

1. Page 3, lines 16-20, revise the second sentence of section 3(a) to read as follows: "The program may include insuring and guaranteeing loans which will provide periodic loan disbursements to eligible landowners.";

2. Page 6, line 4, after the words "approved by the Secretary," insert "up to";

3. Page 6, line 8, strike out "provided" and insert in lieu thereof "insured and guaranteed";

4. Page 9, revise line 20 to read as follows: "such loan and any accrued interest plus any other costs which may have been incurred by the Secretary in making the loan";

5. Page 11, lines 18-21, revise the last sentence of section 8 to read as follows: "The final report shall be submitted not later than 6 months prior to the completion of the fifth calendar year of operation and shall include an evaluation of the pilot program and the Secretary's recommendation on the need for, nature, and scope of a permanent forestry loan program.";

6. Pages 11-12, revise section 9(a) to read as follows:

"Sec. 9. (a) This program be funded using funds drawn from the Rural Development Insurance Fund established under section 309A of the Consolidated Farm and Rural Development Act and subject to the provisions governing such fund, including the provisions of section 310B(d)(b) of said Act. The Secretary may use such funds for (1) making insured loans to eligible borrowers under this Act, (2) making payments in compliance with the Secretary's obligations under contracts of guarantee, and (3) deferring payments of principal and interest with respect to loans insured or guaranteed under this Act and paying expenses and fees incident to such deferral.";

7. Page 12, after line 12, insert a new section 10 as follows:

"Effective Date

"Sec. 10. This Act shall become effective on October 1, 1980.".

8. Page 6, line 16, after the words "lender and landowner" insert "at the time of each periodic loan disbursement";

Page 6, line 19, after the words "by the Secretary" insert "at the time of each periodic loan disbursement";

9. Page 8, lines 15-22, amend subsection (h) to read as follows:

"(h) Individual loan agreements and forest management plans shall be periodically reviewed at the request of the lender, landowner, or preparer of the forest management plan, or, in the case of guaranteed loans, the Secretary. Following such review, the loan period, principal amount, and amount and interval of the periodic disbursement may be adjusted as agreed by both the landowner, lender, and, in the case of guaranteed loans, the Secretary.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date December 5, 1979

(Sub) Committee Conservation and Credit

Meeting: Business

Subject: Great Plains Conservation Program

Bill Nos. H.R. 3789, H.R. 4314, H.R. 3693

The Conservation and Credit (Sub) Committee

met in open markup Session at 9:50 a.m. o'clock, in Room 1302.

The following Members were present:

Mr.	Harkin	Mr.	Coleman	Mr.	
Mr.	Huckaby	Mr.	Marlenee	Mr.	
Mr.	Glickman	Mr.	Hopkins	Mr.	
Mr.	Hance	Mr.		Mr.	
Mr.	Baldus	Mr.		Mr.	
Mr.	English	Mr.		Mr.	
Mr.	Panetta	Mr.		Mr.	
Mr.	Daschle	Mr.		Mr.	
Mr.	Jones of Tenn.	Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.		Mr.	
Mr.		Mr.			
Mr.		Mr.			

Staff present:

Robert Loweree, Associate Counsel
Bob Cashdollar, Subcommittee Staff Consultant
Bob Franks, Associate Counsel
Wayne Fletcher, Staff Consultant
Frank Winston, Staff Assistant
Jim Johnson, Staff Assistant
Robert M. Bor, Chief Counsel
Christine Abram, Staff Assistant

Action taken:

Witnesses:

Mr. Jim Newman, Soil Conservation Service, USDA, was present to respond to questions

Statements Filed:

Action taken:

-- Approved by unanimous voice vote Daschle amendment to change on page 2, line 1 of the Comparative committee Print "September 30, 1987" to "September 30, 1991."

-- Approved by unanimous voice vote Daschle amendment to raise the cap to $500,000,000.

-- Approved by unanimous voice vote English amendment to Daschle amendment, raising the aggregate cap from $500,000,000 to $600,000,000 and raising the annual authorization from $25,000,000 to $30,000,000.

-- Approved by unanimous voice vote Daschle amendment as amended by English amendment.

-- Approved by unanimous voice vote Panetta amendment to strike on page 2 of the Comparative Committee Print lines 6 and 7 the words "and in counties in other States,".

-- Approved by unanimous voice vote Harkin motion that H.R. 3789, as amended, be reported to the full Committee with the recommendation that it do pass.

Chairman Jones called the meeting to order at 9:50 a.m. for the purpose of marking up H.R. 3789, which was accepted as the markup vehicle.

Mr. Daschle moved that on page 2 line 1 of the Comparative Committee Print the date "September 30, 1987" be changed to "September 30, 1991." After some discussion, the motion was approved by unanimous voice vote.

Discussion followed concerning the inclusion into the program of other counties in other States, and question was raised as to the effect on the counties now in the program of any extension on the amount of monies available to them.

After discussion, Mr. Daschle moved to increase the aggregate cap to $500,000,000; this motion was approved by unanimous voice vote. Mr. English then moved to amend Mr. Daschle's amendment so as to raise the cap to $600,000,000 for the period ending September 30, 1991, and raising the annual authorization from $25,000,000 to $30,000,000. The English motion was approved by unanimous voice vote; the Daschle amendment, as amended, was then approved by unanimous voice vote.

December 5, 1979
Conservation and Credit Subcommittee
Business Meeting (Markup)
Great Plains Conservation Program
H.R. 3789, H.R. 4314, H.R. 3693

Mr. Panetta moved that on page 2 of the Comparative Committee Print, lines 6 and 7, the words "and in counties in other States," be striken. After discussion, Mr. Panetta's motion was adopted by unanimous voice vote.

Mr. Harkin moved that H.R. 3789, as amended, be reported to the full Committee with the recommendation that it do pass. This motion was approved by unanimous voice vote.

During the proceedings the subcommittee recessed briefly at 10:08 a.m. to respond to a rollcall vote on the floor of the House and at 10:37 a.m. and at 11:08 a.m. to respond to calls in the full Committee. At 11:35 a.m. the Chairman adjourned the subcommittee.

Christine D. Abram

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, December 6, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Forestry Loan Act; Food Stamp Amendments

Bill Nos. H.R. 4718; H.R. 5907

The Full (~~Sub~~) Committee met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr. Whitley	Mr. Wampler
Mr. de la Garza	Mr. Daschle	Mr. Findley
Mr. Jones (N.C.)	Mr. Hance	Mr. Jeffords
Mr. Jones (Tenn.)	Mr. Anthony	Mr. Grassley
Mr. Brown	Mr. Stenholm	Mr. Marlenee
Mr. Bowen	Mr.	Mr. Hopkins
Mr. Rose	Mr.	Mr.
Mr. Richmond	Mr.	Mr.
Mr. Nolan	Mr.	Mr.
Mr. Weaver	Mr.	Mr.
Mr. Harkin	Mr.	Mr.
Mr. English	Mr.	Mr.
Mr. Panetta	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Huckaby	Mr.	
Mr. Akaka	Mr.	

Staff present:

Bob Bor, Chief Counsel
Bob Lowerre, Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Glenda Knight, Staff Assistant
Anita Brown, Staff Assistant
Mary Jarratt, Staff Assistant

Witnesses:

None

Statements Filed:

None

Thursday, December 6, 1979
Full Committee
Business Meeting
Forestry Loan Act; Food Stamp Amendments
H.R. 4718; H.R. 5907

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. Brown
2. Mr. Harkin
3. Mr. English
4. Mr. Panetta
5. Mr. Huckaby
6. Mr. Whitley
7. Mr. Hance
8. Mr. Anthony
9. Mr. Stenholm
10. Mr. Wampler
11. Mr. Jeffords
12. Mr. Foley
13. Mr. de la Garza
14. Mr. Rose
15. Mr. Nolan
16. Mr. Grassley

Sixteen Members having responded a one-third quorum was established pursuant to previous notice under Committee Rules.

Without objection, final passage of H.R. 4718, the Forestry Loan Act of 1979, was deferred until such time as a quorum of the Committee is present to report the bill.

Chairman Foley called for the consideration of H.R. 5907, the Food Stamp Act Amendments of 1980, and recognized staff to explain the provisions of the legislation.

At 11:05 a.m. the meeting was recessed to enable Members to respond to a recorded vote on the House floor. At 11:23 p.m. the meeting was adjourned to reconvene at 10:30 a.m. on Tuesday, December 11, for further consideration of the pending business.

Glenda Temple

Glenda Temple

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Tuesday, December 11, 1979

~~(Sub)~~ Committee Full

Meeting: Business

Subject: Food Stamp Act Amendments of 1980; Forestry Loan Act of 1979

Bill Nos. H.R. 5907; H.R. 4718

The Full ~~(Sub)~~ Committee

met in open Session at 10:00 o'clock, in Room 1301.

The following Members were present:

Mr. Foley	Mr. Anthony	Mr. Wampler
Mr. de la Garza	Mr. Stenholm	Mr. Sebelius
Mr. Brown	Mr.	Mr. Findley
Mr. Rose	Mr.	Mr. Symms
Mr. Richmond	Mr.	Mr. Madigan
Mr. Nolan	Mr.	Mr. Jeffords
Mr. Weaver	Mr.	Mr. Kelly
Mr. Baldus	Mr.	Mr. Hagedorn
Mr. English	Mr.	Mr. Marlenee
Mr. Fithian	Mr.	Mr. Hopkins
Mr. Panetta	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Huckaby	Mr.	Mr.
Mr. Whitley	Mr.	Mr.
Mr. Coelho	Mr.	
Mr. Daschle	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
John Kramer, Special Counsel
Bob Franks, Associate Counsel
Bob Lowerre, Counsel
Gary Norton, Assistant Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Glenda Knight, Staff Assistant
Mary Jarratt, Staff Assistant
Anita Brown, Staff Assistant

Witnesses:

1. Mr. Bob Greenstein, Administrator, Food and Nutrition Service, represented the U.S. Department of Agriculture and responded to questions concerning the Administration's position on the legislation and operation of the food stamp program.

Statements Filed:

None

Tuesday, December 11, 1979
Full Committee
Business Meeting
Food Stamp Act Amendments of 1980; Forestry Loan Act of 1979
H.R. 5907; H.R. 4718

Action Taken:

-- Without objection, H.R. 5907 to be read and considered for amendment by section.

-- By unanimous voice vote Richmond clarifying amendment to section 101 agreed to.

-- Jeffords unanimous consent request that the bill be open for amendment at any point not approved.

-- By unanimous voice vote Richmond clarifying amendment to section 103 adopted.

-- Without objection action on section 104 deferred.

-- By roll call vote of 13 yeas-15 nays Panetta amendment to section 105 (eliminate expanded medical deductions to elderly) not agreed to.

-- Without objecton Weaver unanimous consent request to suspend action on H.R. 5907 and to consider H.R. 4718 agreed to.

-- By voice vote H.R. 4718, amended, ordered favorably reported to the House in the presence of a quorum.

-- By unanimous voice vote Richmond clarifying amendment to section 106 approved.

-- Without objection report language suggested by Mr. Wampler to accompany section 113 agreed to.

-- Without objection Wampler amendment to section 113 withdrawn.

-- Without objection Jeffords motion to consider recoupment amendment out of order agreed to.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. Weaver
2. Mr. Baldus
3. Mr. Fithian
4. Mr. Panetta
5. Mr. Skelton
6. Mr. Huckaby
7. Mr. Daschle
8. Mr. Anthony
9. Mr. Stenholm
10. Mr. Jeffords
11. Mr. Hagedorn
12. Mr. Marlenee
13. Mr. Foley
14. Mr. Brown
15. Mr. English
16. Mr. Nolan

Tuesday, December 11, 1979
Full Committee
Business Meeting
Food Stamp Act Amendments of 1980; Forestry Loan Act of 1979
H.R. 5907; H.R. 4718

Sixteen Members having responded a one-third quorum was established pursuant to previous notice under Committee Rules.

The Chairman asked if there was objection to reading H.R. 5907, the Food Stamp Act Amendments of 1980, by section for amendment, and there was no objection. The Clerk was directed to read the bill by section and Counsel was asked to explain each section.

Section 101 was read and explained. The attached clarifying amendments by Mr. Richmond were distributed. Chairman Foley on behalf of Mr. Richmond offered the first amendment to section 101. Discussion occurred and by a unanimous voice vote the amendment was agreed to.

Mr. Jeffords asked unanimous consent that the bill be open for amendment at any point and Mr. Anthony objected. Mr. Hagedorn advised that he had to leave the meeting and asked unanimous consent to preserve his right to offer an amendment to section 102 at a later time. There was no objection.

Section 102 was read and explained. Section 103 was read and explained. Chairman Foley offered on behalf of Mr. Richmond the clarifying amendment No. 2 as printed on the attached sheet. By a unanimous voice vote the amendment was adopted.

Section 104 was read and explained. The Departmental representative spoke in opposition to the language contained on page 4, lines 17-19, and discussion occurred. Mr. Fithian moved to strike section 104 in its entirety and discussion continued. Mr. Jeffords asked unanimous consent to defer final action on section 104 until Mrs. Heckler was present since she was the author of the section. There was no objection.

Section 105 was read and explained. Mr. Panetta offered the attached amendment to eliminate the expanded medical deductions for the elderly. Discussion occurred and by a show of hands vote of 13 yeas-4 nays the amendment was agreed to. Mr. Kelly requested a recorded vote and six Members voted to support the request. The vote follows:

Y E A S

1. Mr. Brown
2. Mr. Fithian
3. Mr. Panetta
4. Mr. Whitley
5. Mr. Daschle
6. Mr. Anthony
7. Mr. Stenholm
8. Mr. Sebelius
9. Mr. Findley
10. Mr. Hopkins
11. Mr. Glickman (proxy to Mr. Panetta)
12. Mr. Symms (proxy to Mr. Sebelius)
13. Mr. Thomas (proxy to Mr. Wampler)

N A Y S

1. Mr. Richmond
2. Mr. Nolan
3. Mr. Baldus
4. Mr. Huckaby
5. Mr. Akaka (proxy to Mr. Richmond)
6. Mrs. Heckler (proxy to Mr. Jeffords)
7. Mr. Jeffords
8. Mr. Kelly
9. Mr. Marlenee
10. Mr. Foley
11. Mr. de la Garza
12. Mr. English
13. Mr. Wampler
14. Mr. Weaver
15. Mr. Skelton

Thus, by a roll call vote of 13 yeas-15 nays the Panetta amendment was not agreed to.

Mr. Weaver asked unanimous consent to suspend consideration of the bill H.R. 5907 temporarily and asked that the Committee consider his pending motion to report the bill H.R. 4718, the Forestry Loan Act Amendments of 1979, favorably to the House. Without objection the request was agreed to, and by a voice vote the motion to report the bill was approved in the presence of a quorum (23 Members present at the time the vote was taken).

The Committee returned to consideration of H.R. 5907 and section 106 was read and explained. Mr. Richmond offered his clarifying amendment No. 4 (see attached), and by a unanimous voice vote the amendment was agreed to.

Section 107 was read and explained. Section 108 was read and explained and discussion occurred.

Mr. Stenholm reserved his right to offer an amendment at the appropriate point providing for a local review board for the food stamp program. The Chairman advised that Mr. Hance had an amendment to section 108 and asked if there was objection to preserving his right to offer the amendment at a later time. There was no objection.

Sections 109, 110, 111, and 112 were read and explained. Discussion occurred.

Section 113 was read and explained and discussion occurred. The attached amendment by Mr. Wampler was distributed, and he discussed the need to clarify the expanded income verification measures as contained in the attached statement. Discussion occurred and without objection

report language was approved incorporating the points set forth in Mr. Wampler's statement. Without objection the Wampler amendment was withdrawn.

Section 114 was read and explained. Discussion occurred. It was decided that staff would get together and try to resolve the differences, If amendments were considered necessary following staff discussions, they would be in order.

Section 115 was read and open for amendment at any point. The Chairman announced his intention to adjourn the Committee and Mr. Jeffords asked unanimous consent that his amendment on recoupment be considered out of order on Wednesday. There was no objection.

At 12:05 p.m. the meeting was adjourned to reconvene at 10:30 a.m. on Wednesday, December 12, at which time the pending business will be consideration of the Jeffords amendment on recoupment, followed by additional amendments to the bill beginning with explanation and discussion of section 115.

Glenda Temple

CLARIFYING AMENDMENTS

TO H.R. 5907

OFFERED EN BLOC BY MR. RICHMOND

1. Amend section 101 by striking "/or" wherever it appears.

2. Amend section 103 by inserting "(et passim)" after "Index'" on page 3, line 21.

3. Amend section 104 by inserting "per household" before the comma after "month" on page 4, line 5.

4. Amend section 106 by inserting "I" before "II" on page 5, line 9 and by deleting "and XIV on page 5, line 9 and inserting in lieu thereof "XIV, and XVI"

AMENDMENT OFFERED BY MR. PANETTA

TO H.R. 5907

On page 4, delete line 20 through 25.

This amendment eliminates the expanded medical deductions for the elderly. Its adoption will result in a $67 million savings to the food stamp program.

AMENDMENT TO H.R. 5907

Offered by Mr. Wampler

On page 12, line 6, strike the words "error-prone household profiles" and insert in lieu thereof the words "state-wide, error-prone profile".

STATEMENT OF HONORABLE WILLIAM C. WAMPLER

I wish to clarify part of the language on page 3 of the Summary of H.R. 5907 with regard to expanded income verification measures -- a matter which is of great interest to me.

The last two sentences of that description appear to me that eligibility workers will be put in the position of trying to identify individuals matching certain "error-prone profiles" as might be determined by the State agency based on quality control data. According to this summary, these profiles would be comparable to those profiles used by customs officials in selecting suspected smugglers for thorough inspection and airlines officials in selecting suspected hijackers for similar treatment.

Now, I am not sure these kinds of determinations are appropriate responsibilities of eligibility workers, nor do I feel it the appropriate kind of eligibility requirement for a recipient. Rather, I think the State agency should be given the option -- with the approval of the Secretary, of course, and based on the State's own quality control error profile -- areas other than the three now mandated verification areas (gross nonexempt income, alien status, and certain shelter expenses).

For example, if it appears from the quality control data that information about rent or about work registration disability status or about some other household information is a problem unique to the errors of a particular State, I consider that the State should be given some discretion to deal with its problem, particularly if we are going to hold States responsible to some degree for those errors under the sanctions proposal of this legislation.

In summary, I suggest that section 113, which amends section 11(e) of the Food Stamp Act, reflect what I have stated above not only in our discussions in Committee but in the report which will accompany this bill.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, December 12, 1979

(~~Sub~~)x Committee Full

Meeting: Business

Subject: Food Stamp Act Amendments of 1980

Bill Nos. H.R. 5907

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr.	Foley	Mr.	Coelho	Mr.	Wampler
Mr.	de la Garza	Mr.	Daschle	Mrs.	Heckler
Mr.	Mathis	Mr.	Hance	Mr.	Jeffords
Mr.	Rose	Mr.	Anthony	Mr.	Grassley
Mr.	Richmond	Mr.	Stenholm	Mr.	Hagedorn
Mr.	Nolan	Mr.		Mr.	Coleman
Mr.	Weaver	Mr.		Mr.	Marlenee
Mr.	Baldus	Mr.		Mr.	Hopkins
Mr.	Bedell	Mr.		Mr.	
Mr.	English	Mr.		Mr.	
Mr.	Fithian	Mr.		Mr.	
Mr.	Panetta	Mr.		Mr.	
Mr.	Skelton	Mr.		Mr.	
Mr.	Huckaby	Mr.		Mr.	
Mr.	Akaka	Mr.			
Mr.	Whitley	Mr.			

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Kramer, Special Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Bob Loweree, Associate Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Glenda Knight, Staff Assistant
Anita Brown, Staff Assistant
Mary Jarratt, Staff Assistant

Witnesses:

The following represented the U.S. Department of Agriculture and responded to questions concerning administration of the program and the Department's position:

1. Mr. Bob Greenstein, Administrator, Food and Nutrition Service, USDA.

   Acc. by: Mr. David de Ferranti, Director, Office of Policy, Planning, and Evaluation, Food and Nutrition Service.

Statements Filed:

None

Wednesday, December 12, 1979
Full Committee
Business Meeting
Food Stamp Act Amendments of 1980
H.R. 5907

Chairman Foley called the meeting to order for the continued consideration of H.R. 5907, the Food Stamp Act Amendments of 1980. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. Richmond
2. Mr. Nolan
3. Mr. Fithian
4. Mr. Panetta
5. Mr. Huckaby
6. Mr. Whitley
7. Mr. Daschle
8. Mr. Hance
9. Mr. Anthony
10. Mr. Stenholm
11. Mr. Jeffords
12. Mr. Grassley
13. Mr. Coleman
14. Mr. Foley
15. Mr. de la Garza
16. Mr. Rose
17. Mr. Mathis
18. Mr. Wampler

Eighteen Members having responded a one-third quorum was established, pursuant to previous notice under Committee Rules.

Pursuant to a previous unanimous consent request, Mr. Jeffords was recognized to offer the attached amendment on recoupment (also attached explanation of the amendment). Discussion occurred.

At 11:35 a.m. the meeting was adjourned to reconvene at 10:30 a.m. on Thursday, December 13, at which time the pending business will be continued consideration of the Jeffords amendment.

Glenda Temple

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JEFFOR079

Amendment to H.R. 5907

Offered by Mr. Jeffords

Page 19, after line 25, insert the following new title:

TITLE II -- REPAYMENT FOR CERTAIN EXCESS FOOD STAMP BENEFITS RECEIVED

FUNDS TO PROVIDE ASSISTANCE

SEC. 201. The first sentence of section 4(a) of the Food Stamp Act of 1977, as amended, is amended by inserting ''and funds received from the Secretary of the Treasury under section 6306 of the Internal Revenue Code of 1954'' after ''of this Act''.

CONDITIONAL ASSISTANCE

SEC. 202. The last sentence of section 5(a) of the Food Stamp Act of 1977, as amended, is amended by inserting '', conditional upon such repayment as may be determined pursuant to section 18 of this Act,'' after ''furnished''.

NOTICE OF CONDITIONAL NATURE OF ASSISTANCE

SEC. 203. Section 11(e) of the Food Stamp Act of 1977, as amended, is amended--

(1) in paragraph (2) by striking out ''household.'', and inserting in lieu thereof the following: ''household, and of the conditions under which repayment in cash for any excess benefits received by members of an eligible household may be required in accordance with

section 18 of this Act. A State agency shall provide a description of such conditions in understandable terms to each individual who is 19 years of age or older and who is a member of an eligible household which applies to participate in the food stamp program.'';

(2) in paragraph (16) by striking out ''and'' at the end thereof;

(3) in paragraph (17) by striking out the period and inserting in lieu thereof ''; and''; and

(4) by adding at the end thereof the following new paragraph:

''(18) that the State agency shall furnish to each individual to whom section 18(a) of this Act applies the information required in section 18(d)(1) and shall certify to the Secretary of the Treasury the information required in section 18(d)(2).''.

LIABILITY FOR EXCESS FOOD STAMP BENEFITS RECEIVED

SEC. 204. The Food Stamp Act of 1977, as amended, is amended by redesignating section 18 as section 19, and by inserting after section 17 the following new section:

''REPAYMENT FOR EXCESS BENEFITS RECEIVED

''SEC. 18. (a)(1) Each individual who is 19 years of age or older during any entire taxable year and who, in any taxable year, is a member of any household participating in the food stamp program and has countable income in excess of

the exempt amount shall be liable to the United States as determined in accordance with paragraph (2) and paragraph (3) of this section.

''(2) For purposes of paragraph (1), in the case of an individual who files a Federal separate income tax return such individual shall be liable for an amount equal to the lesser of--

''(A) the value of the coupons allocated to such individual in such taxable year; or

''(B) one-half of the amount by which the countable income of such individual for such taxable year exceeds the exempt amount.

''(3) For purposes of paragraph (1), in the case of two individuals who file a Federal joint income tax return such individuals shall be jointly and severally liable for an amount equal to the lesser of--

''(A) the value of the coupons allocated to both such individuals in such taxable year; or

''(B) one-half of the amount by which the countable income of such individuals for such taxable year exceeds the exempt amount.

''(b) Subsection (a) of this section shall not apply to--

''(1) any individual who continuously participates in the food stamp program during the entire taxable year

involved; and

''(2) any individual who is a member of a household which has household income, during the entire taxable year of such individual, comprised of only supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616(a) of such Act, and payments of the type referred to in section 212(a) of Public Law 93-66.

''(c) For purposes of subsection (a) and notwithstanding subsection (b), there shall be allocated to each individual 19 years of age or older the lesser of--

''(1) an equal share of all of the coupons received by each household of which such individual is a member in any taxable year of such individual, for any period during which such individual is a member of each such household; or

''(2) a share of the coupons received by each such household in such taxable year for any period during which such individual is a member of such household, determined in accordance with regulations issued by the Secretary to prevent any extreme inequity.

''(d) Pursuant to such regulations as the Secretary, in consultation with the Secretary of the Treasury, may issue and for purposes of determining the liability of any individual under subsection (a) of this section, the State

agency shall--

''(1) furnish for each calendar year, before February 1 following such calendar year, to each individual who is 19 years of age or older, who participates in the food stamp program in such State in such calendar year, and who is not an individual described in subsection (b) of this section--

''(A) a statement specifying the amount of coupons allocated to such individual in such calendar year as determined in accordance with subsection (c) of this section; and

''(B) such other information as may be necessary to carry out the provisions of this section; and

''(2) certify to the Secretary of the Treasury for each calendar year, before March 1 following such calendar year--

''(A) the name and address of each individual 19 years of age or older who participates in the food stamp program in such State in such calendar year and who is not an individual described in subsection (b) of this section;

''(B) the amount of coupons allocated to each such individual in such calendar year as determined in accordance with subsection (c) of this section; and

''(C) such other information as may be necessary to carry out this section.

''(e) Any amount for which an individual is liable under subsection (a) of this section shall be payable as if such amount were a tax imposed by section 1 of the Internal Revenue Code of 1954.

''(f) For purposes of this section:

''(1) 'Adjusted gross income' shall have the meaning given it in section 62 of the Internal Revenue Code of 1954.

''(2) 'Countable income' means, in the case of any individual who files a Federal separate income tax return and in the case of two individuals who file a Federal joint income tax return, for any taxable year the sum of adjusted gross income and any unemployment compensation received in such taxable year which is not included in gross income pursuant to section 85 of the Internal Revenue Code of 1954.

''(3) 'Exempt amount' means--

''(A) in the case of any unmarried individual who files a Federal separate income tax return and in the case of two individuals who file a Federal joint income tax return, for any taxable year an amount equal to 175 percent of the income standard of eligibility established under section 5(c) of

this Act applicable to a household having the number of members equal to the number of personal exemptions allowable as a deduction by such individual, or by such two individuals, as the case may be, for such taxable year under part V of subchapter B of chapter 1 of the Internal Revenue Code of 1954, for persons who are members of the household of such individual, or of any household of either of such two individuals; and

''(B) in the case of any married individual who files a Federal separate income tax return for any taxable year an amount equal to one-half of the amount determined in accordance with subparagraph (A), except that for purposes of determining such amount the number of such personal exemptions shall be increased by one.

''(4) 'Taxable year' shall have the meaning given it in section 7701(a)(23) of the Internal Revenue Code of 1954.

''(5) 'Unemployment compensation' shall have the meaning given it in section 85(c) of the Internal Revenue Code of 1954.

''(g) The Secretary may transfer to the Secretary of the Treasury an amount of any funds appropriated for purposes of this Act for fiscal years beginning after September 30,

1980, sufficient to enable the Secretary of the Treasury to assess and collect under section 6306 of the Internal Revenue Code of 1954 amounts for which individuals are liable under subsection (a) of this section and to carry out related administrative functions.

''(h) Funds transferred to the Secretary under section 6306 of the Internal Revenue Code of 1954 shall be used only to carry out the provisions of this Act.''.

AMENDMENTS TO INTERNAL REVENUE CODE OF 1954

SEC. 205. (a) Subchapter A of chapter 64 of the Internal Revenue Code of 1954 (relating to collection of taxes) is amended by adding at the end thereof the following new section:

''SEC. 6306. COLLECTION OF REPAYMENT FOR EXCESS FOOD STAMP BENEFITS.

''The Secretary or his delegate shall assess and collect the amount of any liability of any individual under section 18(a) of the Food Stamp Act of 1977 in the same manner, with the same powers, and subject to the same policies, procedures, and limitations, including deferral or suspension of collection because of hardship, as if such amount were a tax imposed by section 1, except that for one year from the date such liability is payable no interest or penalties shall be assessed or collected with respect to such amount. Notwithstanding any other provision of law, the

Secretary shall transfer, in such amounts as are specified in appropriations acts, funds collected under this section to the Secretary of Agriculture.''.

(b) The analysis of sections for subchapter A of chapter 64 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new item:

''Sec. 6306. Collection of repayment for excess food stamp benefits.''.

AVAILABILITY OF FUNDS REPAID FOR EXCESS BENEFITS RECEIVED

SEC. 206. The first sentence of section 19(b) of the Food Stamp Act of 1977, as so redesignated by section 204 of this title, is amended--

(1) by inserting ''of the sum'' after ''excess''; and

(2) by inserting ''and any funds transferred to the Secretary under section 6306 of the Internal Revenue Code of 1954 in such fiscal year'' before the period.

CONFORMING AMENDMENT

Sec. 207. Section 4(a) of the Food Stamp Act of 1977, as amended, is amended by striking out ''section 18'' and inserting in lieu thereof ''section 19''.

APPLICATION OF AMENDMENTS

SEC. 208. Section 18(a) of the Food Stamp Act of 1977, as added by section 204 of this title, shall apply in the case of any individual to each taxable year of such individual beginning on or after the first day of the second

calendar year beginning after the date of the enactment of this Act.

EFFECTIVE DATES

SEC. 209. (a) Except as provided in subsection (b), this Act shall take effect on the date of the enactment of this Act.

(b) The amendments to section 11(e) of the Food Stamp Act of 1977, as made by section 203 of this title, and section 18(d) of the Food Stamp Act of 1977, as added by section 204 of this title, shall take effect on the first day of the second calendar year beginning after the date of the enactment of this Act.

Page 20, line 1, strike out ''TITLE II'' and insert in lieu thereof ''TITLE III''.

Page 20, line 3, strike out ''SEC. 201.'' and insert in lieu thereof ''SEC. 301.''.

Page 20, line 3, strike out ''section 18(a)'' and insert in lieu thereof ''section 19(a), as so redesignated by section 203 of this Act,''.

HOW THE JEFFORDS AMENDMENT SOLVES RECOUPMENT PROBLEMS IDENTIFIED BY THE FOOD AND NUTRITION SERVICE AND STATES

The following analysis presents how the new Jeffords Recoupment Amendment resolves the major problems attributed to earlier food stamp recoupment proposals by the Department of Agriculture's Food and Nutrition Service (FNS), and by state welfare agencies responding to the FNS Report "Recoupment in the Food Stamp Program".

INTRODUCTION:

Under present law, people are eligible to receive food stamps if their household incomes, minus certain deductions, are at or below the poverty level. A substantial number of people, for various reasons, legally receive food stamps although their total income for the year turns out to be well above the poverty level, that is, above 175% of the poverty level. The recoupment proposal would alter the philosophy of the food stamp program for this group and consider food stamp benefits as interest free loans instead of outright grants for about 6.9% of the adult food stamp population. The recoupment proposal would also have the advantage of indicating those people who may have defrauded the system by intentionally giving different sets of income data to the welfare office and to the Internal Revenue Service (IRS). At present there is no way to tie-in this information. The new Jeffords proposal would also give states incentive to improve management of all public assistance programs by using computer technology. Even more significant is the valuable experience recoupment can provide the government, as we seek effective ways to stretch the impact of tax dollars in other entitlement and assistance programs. Recoupment in the food stamp program will serve as a model for similar efforts in other agencies.

The recoupment potential appears to be substantial. For instance, an estimate given to the Ways and Means Committee during its deliberations on the 1978 Welfare Reform bill indicated that $1.3 billion could be recouped from the food stamp benefits, in 1982 dollars. However, using the exact same data with different assumptions, other estimates are substantially lower. The FNS has recently increased the estimate for gross and net recoupment potential, in 1980 dollars, using the new Jeffords proposal, to $148 - $211 million, with liability levels of from $99 to $113 million. The reasons for the difference between potential and actual liabilities are: 1) the new Jeffords proposal eliminates much of the possible work disincentives, by collecting 50¢ in food

stamp benefits for each dollar earned above 175% of poverty income threshhold; and 2) the new proposal exempts from repayment of stamps adults participating 12 months of the year in the food stamp program.

Net savings, after administration and collections costs by the state and local food stamp offices and the IRS, respectively, would range from a low of more than $70 million annually, to more than a hundred million dollars, depending on the methods adopted to carry out the recoupment and the assumptions used in estimating costs and revenues. The new Jeffords proposal cuts administrative costs substantially, by more than half, depending on the assumptions used to tally the necessary efforts. The current FNS estimate of administrative costs is $27 million a year in operating expenses. Assuming this to be an upper bound estimate, the new Jeffords recoupment proposal will net, after expenses and collections, savings ranging from $70 million to $86 million, in 1980 dollars at a minimum. Expressed in 1982 dollars, when collections will begin, the net savings will be more than $100 million. These conclusions are worst case numbers, based on the FNS figures. Mr. Jeffords' computation of administrative expenses is much lower, resulting in estimates of a far greater recoupment potential.

Using the lower administrative cost estimates, the recoupment proposal will save more than $100 million annually, after administrative expenses, when it becomes operational, in 1982. These resources would be redistributed to eligible people in the Food Stamp program and help reduce pressures on the cap for food stamp funding requirements, which are now running billions of tax dollars ahead of earlier estimates for the current fiscal year.

Assertions that recoupment is not feasible because of administrative problems have become irrelevant, because the changes incorporated in the new Jeffords proposal are a significant breakthrough in minimizing the tasks to be performed at the local and state levels. State food stamp offices will simply mail to each adult who participated in the food stamp program a form just like the W-2 that all employers must send out, listing the amount of benefits allocated to that person. A consolidation of this data, on computer tapes, would also be sent to the IRS for later matching with income tax returns, again, just as other W-2 information is provided. The

food stamp allocation subject to possible repayment would be included by the recipient on his or her federal income tax return and the tax filer would determine whether any repayment was required, based on easily understood instructions provided by the IRS. The instructions would explain that if the person received adjusted gross income, plus unemployment compensation, above 1.75 times the level of income eligibility used for the food stamp program, then the taxpayer would owe the lesser of: 1) the amount of benefits allocated or 2) one-half the amount of income above the eligibility "exempt amount." The taxpayer could make this determination simply by referring to a chart provided with the instructions.

The amendment exempts two significant classes of adults from liability on policy grounds. They are: 1) the 7.3% of the total caseload whose only income reported to food stamp offices is Supplemental Security Income, because the FNS study concluded that this group have incomes well under the recoupment "threshhold"; and 2) the 28% of the total remaining caseload that participates all year, because it would not make sense to make payments to these constantly eligible households all year and withdraw a portion of the assistance at tax time. The effect of these liability exemptions is to reduce recoupment revenues by about 27%, and administrative expenses would be significantly reduced.

It is our conclusion, after talking with state officials operating food stamp programs, policy experts with FNS and IRS and other people familiar with recoupment and the food stamp program, that a recoupment program can be administered with minimum difficulty at the state and local levels, so long as food stamp offices simply report allocations of benefits and the IRS is used for collection. This is true especially if the IRS uses the tax refund offset to recover these funds.

Due to the nature of households temporarily receiving food stamp assistance, most recoupable individuals have significant federal income tax refunds owed them for the year that they received benefits. This occurs because about two-thirds received food stamps while temporarily unemployed. During their employment period they were overwithheld by the tax system, which assumes constant wages throughout the year in withholding taxes. Thus a majority of these "interest free"

loans can be retrieved by the government if the IRS merely keeps the refunds otherwise owed in the year the liability arises and in the next few years. The FNS estimates that fully 85% of the recoupment liability will be repaid through offsetting and/or reduction of tax refunds by the tax filer and IRS. Much of the remainder, about two-thirds, could be collected by using the inexpensive collection letter process, which costs much less than $5 per letter and has proven to be a very effective means of collecting tax liabilities.

Additional procedures for auditing non-reporters and correcting mistakes might be advisable on a small scale, as is done in the normal tax collection process, but the total IRS costs should be quite reasonable. This is because the great bulk of recoupment potential (85%) will be simply offset from tax refunds, and much of the remainder obtained through the collection letter process.

PROBLEMS ALLEGED TO RESULT FROM RECOUPMENT

1. The 1977 recoupment proposal, and modifications studied by the FNS would be quite burdensome for state and local food stamp offices. They would need to collect, store and process a great deal of additional data concerning food stamp households. Under that proposal contributions to household expenses by members was one basis for allocating food stamp benefits. Another computed benefit shares according to anticipated tax filing unit composition of the food stamp household. The new Jeffords proposal meets these objections but was not considered specifically in the FNS Report.

ANSWER: The new Jeffords amendment to the Food Stamp bill before the Committee requires no additional collection of client data. It requires that food stamp caseworkers spend minimal additional eligibility interview time for the purpose of explanation, and no additional time for figuring complex allocations of food stamp benefits to household individuals. It does require that food stamp programs devise information reporting systems to inform about two thirds of the adult recipients, and the IRS, of the amount of food stamps allocated to these individuals. This process is no more of a burden than the government now places on most employers and all state unemployment compensation agencies. Some state governments also place a comparable responsibility on state income transfer agencies to report earnings. And it is being done at a very reasonable cost.

2. The 1977 recoupment proposal would have required food stamp caseworkers to obtain information on individual contributions to household maintenance costs. Another option studied would require that caseworkers have detailed knowledge of the tax system so that they could allocate benefits on some logical basis among probable tax filing units. This would reverse the trend of reducing paperwork in the eligibility process.

ANSWER: The new Jeffords Amendment resulted from the constructive comments that were made following release of the FNS recoupment report in October, 1979. The amendment requires no new information gathering; nor does it involve the need for developing new caseworker skills. Food stamp benefits for each household will be allocated equally among individuals 19 years of age or older. This standard uses the theory that, because the eligibilty rules presume pooling of income by members of the household, rough justice is achieved in almost all cases of liability by having adults share equally in the responsibility for repayment. Sharing would take place to the extent that individuals incomes over the span of a year well exceeded the level of income set for eligibility. In addition, this system is much more practical from an administrative viewpoint than earlier proposals.

The latest projections from the FNS on how the new Jeffords Amendment will affect the food stamp program prove that in nearly all cases a single tax unit will be liable for recoupment, because in 94% of all affected households the family is a nuclear family. The FNS expects that about 689,000 households currently receiving food stamps would be recoupable, at least to the extent that each contains one or more tax filing unit that will owe back a portion of its benefit allocation. The FNS also estimates that 709,000 tax units would be subject to recoupment. This clearly shows that nearly all recoupable households will match with tax filing units. In fact, the FNS study shows that 82% of recoupable households have only one wage earner, indicating that in most cases the tax filing unit will coincide with the food stamp household unit.

For the 6% of recoupment households composed of a nuclear family plus one or more related and unrelated individuals receiving benefits, as well as for households with more than one wage earner, the adult allocation plan provides an equitable means of apportioning the benefit and assessing liability. In cases of extreme inequity, the amendment authorizes the Secretary of Agriculture to apply special regulations.

3. The cost of an automated process to track food stamp households is very high, compared to the monies repaid through the tax collection system. The new Jeffords recoupment proposal involves tracking to make adult allocations and send out reports of food stamp benefits.

ANSWER: This position is hard to defend because the information required for tracking and reporting is already available to food stamp offices. The offices would simply be required to carry out the same function that all employers, and some income transfer agencies, now accomplish on a routine basis.

For example, the State of Oregon carries out a very similar computerized process to inform welfare recipients of their monthly allotments under the state's rent and tax relief law. They also send the data to the state revenue department so that amounts paid monthly can be offset by the typical amount of relief households receive annually through the state tax system. The cost of the process for 113,000 households in 1978 was 22 cents per household, including postage.

Moreover, all state unemployment insurance agencies must now report compensation paid to recipients and to the IRS, as a result of legislation making payments to upper income recipients taxable. The latest estimate of first-year administrative costs for all the state agencies is about $3.9 million, or less than 50 cents per recipient, again, including postage. Under this program, some 12 million unemployment compensation recipients will get W-2 type benefit forms in January. FNS has estimated the administrative cost of carrying out recoupment on an adult allocation scheme at about $27 million for the 10.2 million adults receiving food stamp benefits. If it is not too great a presumption that food stamp programs can be administered as effectively as unemployment compensation programs, the information shows that administrative costs should be as low as 50¢ per food stamp adult too, or a total of $5.1 million annually.

Mr. Jeffords believes these FNS-estimated costs are much higher than they need be, but assuming they are upper range operating costs, recoupment administration and reporting requirements would amount to $2.52 cents per adult. The financial return for the 1982 calendar year from the Jeffords Amendment is estimated by the FNS to be $96 million annually, in 1980 dollars. Therefore, at the most it will cost $2.52 per adult in the food stamp program to determine food stamp repayment liabilities that will average $189 to $207.

The revenues are substantial once a manageable administrative system is achieved. The new amendment provides for such a system. The net savings under the new Jeffords amendment will be more than $100 million annually, once the program is underway. The earlier estimates of recovering up to $1.3 billion through a similar process suggests that the FNS revenue estimates may be on the low side. Significantly, the benefit-cost ratio under this proposal will be 4 to 1, using the latest FNS estimates, as opposed to the marginal net savings originally estimatedy in the FNS Report.

4. The 1977 recoupment proposal involved repayment, of benefits, dollar for dollar, once an individual's income exceeded his "exempt amount" of 200% of the poverty level. This created some situations in which workers would be financially better off refusing a job offer, during the last month or so of the calendar year, to avoid having to repay food stamp benefits.

ANSWER: The new recoupment amendment takes account of this possibility, even though the extent of work disincentive under the old proposal remains unknown, according to the FNS. The new repayment rate would be 50 cents in benefits for every dollar earned above the threshold of 1.75 times the poverty level income. This will reduce substantially the likelihood that recoupment will cause a worker to refuse work and stay on public assistance.

Mr. Jeffords included this provision even though he doubts that many people would break the law that requires them to accept work, for the sake of a few extra dollars. In fact, he feels it is just as logical to expect a recipient to look even harder for work, if he has accepted benefits with the knowledge that he has to repay them as an interest-free loan. But whether recoupment works as a work incentive or disincentive,

it seems worthwhile to set the repayment rate at 50%, becuase such a reduction has a small impact on revenues. Because most recoupable households generally earn incomes well above the threshhold, even the 50 percent repayment results in only a slight decrease in the amount of recoupment potential, about 7% according to the FNS.

5. Some additional computer acquisition and systems development costs may be required by the recoupment program, along with the operating expenses for the W-2 type form reporting. Many states complain that these additional costs would not be reimbursed under the recoupment plans.

ANSWER: Under present law, 50% of administrative costs are paid by the federal government, as are 100% of the food stamp benefit costs. Mr. Jeffords understands that an amendment may be offered to provide 90% federal payment for the development and acquisition costs of computerized management systems for food stamps offices and 75% federal payment for computer maintenance and operating costs. If the Agriculture Committee does not adopt such an approach separately, then Mr. Jeffords will include it in his recoupment amendment. Automated administration systems at the state and local level produce better efficiency, reduced error rates, and ultimately lower state and federal administrative and paperwork costs with a more accurately targeted allocation of aid dollars to the most needy.

6. The FNS Report claims that it will cost the IRS $113 per case to recoup liabilities that average several hundred dollars.

ANSWER: Even the IRS reports that its administrative expenses range from $9.31 to $24.49 per recoupable taxpayer, depending on the degree of compliance efforts expended during the early years of recoupment operations. It is clear that relying solely on the tax filing process will reduce somewhat the collections. If no special compliance efforts were authorized under this legislation, the IRS would probably simply withhold refunds and obtain 85% of the recoupment liabilities owed, and use inexpensive but very effective collection letters to obtain payment of two-thirds of the remaining 15% of recoupment liability. However, some compliance work is probably advisable, so the Jeffords Amendment authorizes the Secretary of Agriculture to transfer

funds for such related administrative purposes to the Treasury Department. The $113 estimate represents the cost of detailed field audit and examination procedures applied to a percentage of those who do not repay voluntarily, a cost that is comparable to that for collecting relatively large tax liabilities. These costs are based on a more complex administrative scheme, considered in the 1977 Recoupment Amendment. Actual IRS costs should be minimal, and also very effective in the majority of recoupment cases, just as they are in the majority of tax liability cases.

"EXEMPT" AMOUNT TABLE FOR CALCULATING RECOUPMENT LIABILITY

TAX FILING UNIT SIZE	POVERTY LINE INCOME	175%	200%
1	$3,670	$6,423	$7,340
2	4,830	8,453	9,660
3	5,990	10,483	11,980
4	7,150	12,513	14,300
5	8,310	14,543	16,620
6	9,470	16,573	18,940
7	10,630	18,603	21,260
8	11,790	20,633	23,580

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, December 13, 1979

(~~Sub~~) Committee Full

Meeting: Business

Subject: Food Stamp Act Amemdments of 1980

Bill Nos. H.R. 5907

The Full (~~Sub~~) Committee

met in open Session at 10:30 o'clock, in Room 1301

The following Members were present:

Mr. Foley	Mr. Akaka	Mr. Wampler
Mr. de la Garza	Mr. Whitley	Mr. Sebelius
Mr. Mathis	Mr. Daschle	Mrs. Heckler
Mr. Brown	Mr. Hance	Mr. Jeffords
Mr. Rose	Mr. Anthony	Mr. Grassley
Mr. Richmond	Mr. Stenholm	Mr. Coleman
Mr. Nolan	Mr.	Mr. Marlenee
Mr. Baldus	Mr.	Mr. Hopkins
Mr. Harkin	Mr.	Mr. Thomas
Mr. Bedell	Mr.	Mr.
Mr. English	Mr.	Mr.
Mr. Fithian	Mr.	Mr.
Mr. Panetta	Mr.	Mr.
Mr. Skelton	Mr.	Mr.
Mr. Huckaby	Mr.	
Mr. Glickman	Mr.	

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
John Kramer, Special Counsel
Bob Lowerre, Special Counsel
Glenda Temple, Clerk
Joe Crapa, Subcommittee Staff Consultant
Anita Brown, Staff Assistant
Glenda Knight, Staff Assistant
Mary Jarratt, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to questions concerning the food stamp program and its administration, as well as the Department's position on possible amendments:

1. Mr. Bob Greenstein, Administrator, Food and Nutrition Service, USDA.

The following represented the Internal Revenue Service and responded to questions concerning the Jeffords amendment:

1. Mr. Russell E. Dyke, Assistant Commissioner for Planning and Research, IRS.

Statements Filed:

None

Thursday, December 13, 1979
Full Committee
Business Meeting
Food Stamp Act Amendments of 1980
H.R. 5907

Action Taken:

-- By show of hands vote of 11 yeas-10 nays Mathis amendment to Jeffords amendment on recoupment agreed to.

-- By roll call vote of 15 yeas-24 nays Jeffords amendment, as amended, not adopted.

Chairman Foley called the meeting to order for the continued consideration of H.R. 5907, the Food Stamp Act Amendments of 1980. The Clerk was directed to call the roll and the following Members responded when their names were called:

1. Mr. Bedell
2. Mr. Fithian
3. Mr. Panetta
4. Mr. Glickman
5. Mr. Daschle
6. Mr. Anthony
7. Mr. Stenholm
8. Mr. Wampler
9. Mr. Sebelius
10. Mr. Jeffords
11. Mr. Grassley
12. Mr. Hopkins
13. Mr. Foley
14. Mr. Rose
15. Mr. Baldus
16. Mr. Skelton
17. Mr. Richmond

Seventeen Members having responded a one-third quorum was established pursuant to previous notice under Committee Rules.

Pending before the Committee was the Jeffords amendment on recoupment (see minutes of December 12). Discussion continued.

Mr. Mathis offered the attached amendment which would provide that fifteen percent of the funds recovered would be transferred to the States. Discussion occurred on the Mathis amendment. By a show of hands vote of 11 yeas-10 nays the Mathis amendment to the Jeffords amendment was agreed to.

Discussion continued on the Jeffords amendment, as amended. By a show of hands vote of 8 yeas-15 nays the amendment was not agreed to. Mr. Jeffords requested a recorded vote and 8 Members voted to sustain the request. The vote follows:

Thursday, December 13, 1979
Full Committee
Business Meeting
Food Stamp Act Amendments of 1980
H.R. 5907

Y E A S

1. Mr. Mathis
2. Mr. Wampler
3. Mr. Jeffords
4. Mr. Grassley
5. Mr. Coleman
6. Mr. Marlenee
7. Mr. Hopkins
8. Mr. Thomas
9. Mr. Sebelius (proxy to Mr. Wampler)
10. Mr. Findley (proxy to Mr. Wampler)
11. Mr. Symms (proxy to Mr. Wampler)
12. Mr. Johnson (proxy to Mr. Wampler)
13. Mr. Madigan (proxy to Mr. Wampler)
14. Mr. Kelly (proxy to Mr. Wampler)
15. Mr. Hagedorn (proxy to Mr. Wampler)

N A Y S

1. Mr. Brown
2. Mr. Rose
3. Mr. Richmond
4. Mr. Nolan
5. Mr. Baldus
6. Mr. Fithian
7. Mr. Panetta
8. Mr. Huckaby
9. Mr. Glickman
10. Mr. Akaka
11. Mr. Whitley
12. Mr. Daschle
13. Mr. Anthony
14. Mr. Stenholm
15. Mrs. Heckler
16. Mr. Foley
17. Mr. Jones (N.C.) (proxy to Mr. Foley)
18. Mr. Jones (Tenn.) (proxy to Mr. Foley)
19. Mr. Bowen (proxy to Mr. Foley)
20. Mr. Weaver (proxy to Mr. Richmond)
21. Mr. Harkin (proxy to Mr. Richmond)
22. Mr. Bedell (proxy to Mr. Foley)
23. Mr. Skelton
24. Mr. Coelho (proxy to Mr. Foley)

Thus, by a roll call vote of 15 yeas-24 nays the Jeffords amendment, as amended, was not adopted.

During the proceedings one recess was taken at 10:55 a.m. to enable Members to respond to a recorded vote on the House Floor. At 12:20 p;m. the meeting was adjourned to reconvene at 10:30 a.m. on Friday, December 14, for further consideration of the Food Stamp Act Amendments of 1980. A one-third quorum announcement was made by the Chairman for the meeting.

Glenda Temple

Glenda Temple

MATHIS015

Amendment to the Amendment of Mr. Jeffords to H.R. 5907
Offered by Mr. Mathis

Page 8, strike out subsection (h) of section 18 of the Food Stamp Act of 1977, as added by the amendment, and insert in lieu thereof the following new subsection:

''(h)(1) Of the funds transferred to the Secretary under section 6306 of the Internal Revenue Code of 1954, the Secretary shall--

''(A) use 85 per centum of such funds to carry out the provisions of this Act; and

''(B) transfer 15 per centum of such funds to the States.

''(2) For purposes of paragraph (1)(B), the amount of funds to be transferred to each State shall be an amount equal to the product of--

"(A) 15 per centum of the funds transferred to the Secretary; and

''(B) the aggregate amount of funds collected by the Secretary of the Treasury from individuals who are residents of such State on the last day of the taxable years involved, divided by the aggregate amount of funds collected by the Secretary of the Treasury under section 6306 of the Internal Revenue Code of 1954 from residents of all the States.".

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Wednesday, December 19, 1979

(Sub) Committee Full

Meeting: Business

Subject: Food Stamp Act Amendments of 1980

Bill Nos. H.R. 5907

The Full (Sub) Committee

met in open Session at 10:30 o'clock, in Room 1301.

The following Members were present:

Mr.	Foley	Mr.	Whitley	Mr.	Madigan
Mr.	de la Garza	Mr.	Coelho	Mr.	Grassley
Mr.	Jones (Tenn.)	Mr.	Hance	Mr.	Hagedorn
Mr.	Mathis	Mr.	Stenholm	Mr.	Coleman
Mr.	Brown	Mr.		Mr.	Hopkins
Mr.	Rose	Mr.		Mr.	Thomas
Mr.	Nolan	Mr.		Mr.	
Mr.	Weaver	Mr.		Mr.	
Mr.	Baldus	Mr.		Mr.	
Mr.	Harkin	Mr.		Mr.	
Mr.	Bedell	Mr.		Mr.	
Mr.	English	Mr.		Mr.	
Mr.	Fithian	Mr.		Mr.	
Mr.	Huckaby	Mr.		Mr.	
Mr.	Glickman	Mr.			
Mr.	Akaka	Mr.			

Staff present:

Fowler C. West, Staff Director
Bob Bor, Chief Counsel
John Kramer, Special Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Bob Lowerre, Associate Counsel
Glenda Temple, Clerk
Bernie Brenner, Press Assistant
Peggy Pecore, Staff Assistant
Joe Crapa, Subcommittee Staff Consultant
Anita Brown, Staff Assistant
Glenda Knight, Staff Assistant
Mary Jarratt, Staff Assistant

Witnesses:

The following represented the United States Department of Agriculture and responded to questions concerning administration of the food stamp program and the Administration's position on amendments.

1. Mr. Bob Greenstein, Administrator, Food and Nutrition Service, USDA.

Statements Filed:

None

Wednesday, December 19, 1979
Full Committee
Business Meeting
Food Stamp Act Amendments of 1980
H.R. 5907

Action Taken:

-- By roll call vote of 8 yeas-19 nays Hance amendment not agreed to.

-- By unanimous voice vote Fithian amendment adopted.

-- Without objection Grassley amendment reformed.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. Baldus
2. Mr. Harkin
3. Mr. Bedell
4. Mr. English
5. Mr. Huckaby
6. Mr. Glickman
7. Mr. Whitley
8. Mr. Coelho
9. Mr. Stenholm
10. Mr. Grassley
11. Mr. Coleman
12. Mr. Foley
13. Mr. Rose
14. Mr. Nolan
15. Mr. Weaver
16. Mr. Madigan
17. Mr. de la Garza
18. Mr. Hance

Eighteen Members having responded a one-third quorum was established pursuant to previous notice under Committee rules.

Mr. Hance was recognized to offer an amendment on eligibility disqualification. A copy of the language is attached. Discussion occurred on the Hance amendment. By a show of hands vote of 5 yeas-7 nays the amendment was not agreed to. Mr. Hance requested a recorded vote and 6 Members sustained the request. The vote follows:

Y E A S

1. Mr. Mathis
2. Mr. Rose
3. Mr. English
4. Mr. Hance
5. Mr. Stenholm
6. Mr. Grassley
7. Mr. Hopkins
8. Mr. Huckaby

NAYS

1. Mr. de la Garza
2. Mr. Nolan
3. Mr. Bedell
4. Mr. Fithian
5. Mr. Panetta
6. Mr. Glickman
7. Mr. Akaka
8. Mr. Whitley
9. Mr. Coleman
10. Mr. Foley
11. Mr. Weaver
12. Mr. Baldus
13. Mr. Harkin
14. Mr. Jones (N.C.)(proxy to Mr. Foley)
15. Mr. Jones (Tenn.)(proxy to Mr. Foley)
16. Mr. Brown (proxy to Mr. Foley)
17. Mr. Bowen (proxy to Mr. Foley)
18. Mr. Richmond (proxy to Mr. Foley)
19. Mr. Skelton (proxy to Mr. Foley)

Thus, by a roll call vote of 8 yeas-19 nays the Hance amendment was not approved.

Mr. Fithian offered the attached amendment providing that as a consideration of eligibility the income and financial resources shall be considered. Discussion occurred and by a unanimous voice vote the Fithian amendment was agreed to.

Staff explained section 120, and the Chairman reserved the right of Mr. Findley to offer two amendments to the section.

Mr. Grassley was recognized to offer the attached amendment to require reporting to the Immigration and Naturalization Service certain information. Discussion occurred on the amendment.

Mr. Greenstein advised that the Administration objected to the language at the end of the amendment reading "or has engaged in any activity in violation of the conditions of his or her entry or parole into the United States". Mr Grassley asked unanimous consent to revise his amendment and there was no objection.

Discussion continued on the amendment and at 11:35 a.m. the meeting was adjourned to reconvene at 9:30 a.m. on Thursday, December 20, at which time the pending business will be further consideration of the Grassley amendment.

Glenda Temple

AMENDMENT BY MR. HANCE
to H.R. 5907

Page 7, strike out lines 11 through 19, and insert in lieu thereof the following:

"ELIGIBILITY DISQUALIFICATION

"Sec. 108.(a) Section 6(b) of the Food Stamp Act of 1977, as amended, is amended to read as follows:

'(b)(1) No household shall be eligible to participate in the food stamp program for (A) three months after an individual who is a member of such household has been found by a State agency, after notice and hearing at the State level or after failure to appeal a local hearing to the State level, to have fraudulently used, presented, transferred, acquired, received, possessed, or altered coupons or authorization cards, or (B) a period of not less than six and not more than twenty-four months, as determined by the court, after an individual who is a member of such household has been found by a court of appropriate jurisdiction, with a State or political subdivision thereof or the United States as prosecutor or plaintiff, to have been criminally or civilly fraudulent in the use, presentation, transfer, acquisition, receipt, possession, or alteration of coupons or authorization cards, or (C) both of the periods specified in clauses (A) and (B) of this paragraph. Each State agency shall have the option to proceed against such alleged fraudulent activity either by way of administrative fraud hearings in accordance with clause (A) of this paragraph, or by way of referring such matters to appropriate legal authorities for civil or criminal action in accordance with clause (B) of this paragraph, or both.

'(2) Each such period of ineligibility shall take effect--

'(A) with respect to households which are otherwise eligible to participate in the food stamp program, immediately upon the relevant administrative or judicial finding; and

'(B) with respect to households which are not otherwise eligible to participate in the food stamp program at the time of such relevant administrative or judicial finding, at such time as such household becomes otherwise eligible to participate in such program.

Each period of ineligibility shall remain in effect, without possibility of administrative stay, unless and until the finding of fraud is subsequently reversed by a court of appropriate jurisdiction, but in no event shall the period of ineligibility be subject to judicial review.

'(3) For purposes of this subsection, membership in any household of any individual shall be determined as of the date upon which a fraudulent use, presentation, transfer, acquisition, reception, possession, or alteration of coupons or authorization cards is alleged or is found to have occurred.

'(4) After any specified period of disqualification pursuant to findings under clauses (A) or (B) of paragraph 1 of this subsection, no disqualified household shall be eligible to participate in the food stamp program unless such household agrees to (A) a reduction in the allotment of the household or (B) to repayment in cash, in accordance with a reasonable schedule as determined by the Secretary that will be sufficient over time to reimburse the Federal Government

for the value of the coupons obtained through the fraudulent conduct. If any disqualified household elects repayment in cash under the provisions of the preceding sentence and fails to make payments in accordance with the schedule determined by the Secretary, the household shall be subject to appropriate allotment reductions.

'(b) The amendment made by subsection (a) of this section shall apply with respect to any fraudulent use, presentation, transfer, acquisition, possession, or alteration of coupons or authorization cards occurring after one hundred and eighty days after the date of enactment of this Act.'".

AMENDMENT TO H.R. 5907

offered by

MR. FITHIAN

SEC. 122. Section 6(f) of the Food Stamp Act of 1977, as amended, is amended by adding at the end thereof the following:

"The income (less a pro rata share) and financial resources of the individual rendered ineligible to participate in the food stamp program pursuant to this subsection shall be considered in determining the eligibility and the value of the allotment of the household of which such individual is a member.".

AMENDMENT TO H.R. 5907

Offered by Mr. Grassley

Add at the end of title I a new section reading as follows:

Sec. ___. Section 11(e) of the Food Stamp Act of 1977, as amended is amended by deleting "and" at the end of subsection (16), by inserting "; and" at the end of subsection (17), and by adding at the end thereof the following new subsection:

"(18) notwithstanding paragraph (8) of this subsection, for the immediate reporting to the Immigration and Naturalization Service by the State agency of any information received by the State agency in connection with certification or recertification of households which indicates that any resident of the household is present in the United States in violation of the Immigration and Nationality Act or has engaged in any activity in violation of the conditions of his or her entry or parole into the United States."

Explanation

This amendment would require the immediate reporting to the Immigration and Naturalization Service by a State agency of information obtained during the certification process which indicates that a person in the household is an illegal alien.

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date Thursday, December 20, 1979

(~~Sub~~) Committee on Agriculture

Meeting: Open Business

Subject: Food Stamp Act Amendments

Bill Nos. H.R. 5907

The Full (~~Sub~~) Committee

met in Open Session at 9:40 a.mo'clock, in Room 1301 LHOB

The following Members were present:

Mr. Foley	Mr. Coelho	Mr. Wampler
Mr. de la Garza	Mr. Hance	Mr. Findley
Mr. Mathis	Mr. Stenholm	Mr. Symms
Mr. Brown	Mr.	Mr. Madigan
Mr. Bowen	Mr.	Mr. Heckler
Mr. Nolan	Mr.	Mr. Jeffords
Mr. Weaver	Mr.	Mr. Kelly
Mr. Baldus	Mr.	Mr. Grassley
Mr. Harkin	Mr.	Mr. Hagedorn
Mr. Bedell	Mr.	Mr. Coleman
Mr. English	Mr.	Mr. Marlenee
Mr. Panetta	Mr.	Mr. Hopkins
Mr. Skelton	Mr.	Mr. Thomas
Mr. Huckaby	Mr.	Mr.
Mr. Glickman	Mr.	
Mr. Whitley	Mr.	

Staff present:

Fowler West, Staff Director
John Kramer, Special Counsel
John Hogan, Counsel
Bob Franks, Associate Counsel
Bernard Brenner, Press Secretary
Gene Moos, Staff Analyst
Bob Lowerre, Associate Counsel
Joe Crapa, Subcommittee Staff Director
Anita Brown, Staff Assistant
Glenda Knight, Staff Assistant
Mary Jarratt, Staff Assistant
Peggy Pecore, Staff Assistant

Witnesses:

Mr. Robert Greenstein, Administrator, Food and Nutrition Service, Department of Agriculture, was present to answer questions

Statements Filed:

NONE

Thursday, December 20, 1979
Full Committee
Open Business Meeting
Food Stamp Act Amendments
H.R. 5907

Action taken:

--By rollcall vote of 22 yeas-8 nays, Findley amendment dealing with use of funds to interfere with Federal actions agreed to.

--By unanimous voice vote Jeffords amendment relative to vehicle ownership by handicapped individuals agreed to.

--By unanimous voice vote Jeffords amendment relative to continuation of cash-out pilot projects agreed to.

--By unanimous voice vote Panetta amendment relative to dependent care deductions for working adults agreed to.

--By unanimous voice vote Foley amendment providing for legal fees for USDA employees agreed to.

--By division vote of 3 yeas-7 nays, Stenholm amendment to provide for pilot projects and use of local review boards of citizens not agreed to.

--By rollcall vote of 20 yeas-14 nays, Panetta amendment to Kelly striker amendment agreed to.

--By rollcall vote of 30 yeas-10 nays, Kelly striker amendment, as amended agreed to.

Chairman Foley called the meeting to order and directed the Clerk to call the roll. The following Members responded when their names were called:

1. Mr. Bowen
2. Mr. Bedell
3. Mr. Skelton
4. Mr. Glickman
5. Mr. Coelho
6. Mr. Wampler
7. Mr. Findley
8. Mr. Jeffords
9. Mr. Hagedorn
10. Mr. Coleman
11. Mr. Foley
12. Mr. Nolan
13. Mr. Baldus
14. Mr. Panetta
15. Mr. Stenholm
16. Mr. Thomas

Sixteen Members having responded, a one-third quorum was established pursuant to previous notice under Committee rules.

Mr. Findley was recognized to offer an amendment (copy attached) dealing with use of Federal funds, and discussion followed. Mr. Harkin raised a point of order against the amendment. The Chairman ruled against the point of order because it had not been made prior to debate on the amendment. Further discussion occured and Mr. Harkin requested a roll call vote on the amendment. Three Members voted to support the request. The vote follows:

Thursday, December 20, 1979
Full Committee
Open Business Meeting
Food Stamp Act Amendments
H.R. 5907

YEAS

1. Mr. de la Garza
2. Mr. Baldus
3. Mr. Panetta
4. Mr. Glickman
5. Mr. Stenholm
6. Mr. Wampler
7. Mr. Findley
8. Mr. Grassley
9. Mr. Coleman
10. Mr. Thomas
11. Mr. Mathis
12. Mr. Coelho
13. Mr. Hance
14. Mr. Kelly (proxy to Mr. Findley)
15. Mr. Hagedorn (proxy to Mr. Findley)
16. Mr. Narlenee (proxy to Mr. Findley)
17. Mr. Hopkins (proxy to Mr. Findley
18. Mr. Sebelius (proxy to Mr. Findley)
19. Mr. Symms (proxy to Mr. Findley)
20. Mr. Johnson (proxy to Mr. Findley)
21. Mr. Hadigan (proxy to Mr. Findley)
22. Mrs. Heckler

NAYS

1. Mr. Brown
2. Mr. Nolan
3. Mr. Harkin
4. Mr. Richmond (proxy to Mr. Foley)
5. Mr. Jeffords
6. Mr. Weaver
7. Mr. Daschle (proxy to Mr. Foley)
8. Mr. Foley

Thus, by a rollcall vote of 22 yeas-8 nays, the amendment was agreed to with 17 Members present. After the results had been announced, there was no objection to the proxy votes of Mr. Mathis, Mr. Weaver, and Mrs. Heckler being changedto live votes.

Mr. Jeffords was recognized to offer an amendment (copy attached) dealing with vehicle ownership by handicapped individuals and the assets requirement. After discussion, it was agreed to by unanimous voice vote.

Mr. Grassley was recognized and asked to reserve his right to continue debate on his amendment which was pending when the meeting was adjourned on December 19 (see minutes of that date). Without objection, Mr. Grassley was granted permission to take up his amendment at a later time.

Mr. Jeffords offered a second amendment (copy attached) relative to continuation of cash-out pilot projects and it was agreed to by unanimous voice vote.

Mr. Panetta offered an amendment (copy attached) relative to dependent care deductions for working adults. After a brief discussion, the amendment was agreed to by unanimous voice vote.

Thursday, December 20, 1979
Full Committee
Open Business Meeting
Food Stamp Act Amendments
H.R. 5907

Mr. Foley offered an amendment (copy attached) providing for legal fees for employees of the Department of Agriculture in proceeds to which they have been made parties and which arise directly out of their performance of duties pursuant to the Food Stamp Act. Discussion occured, and the amendment was agreed to by unanimous voice vote.

Mr. Stenholm was recognized to offer an amendment (copy attached) dealing with review committees. After discussion, the amendment was not agreed to by a division vote of 3 yeas-7 nays.

Mr. Kelly was recognized to offer an amendment (copy attached) to prohibit food stamps for strikers. After discussion, Mr. Panetta offered an amendment (copy attached) to the Kelly amendment providing that if a household meets the requirements mandated in the law, they would be eligible. Discussion occured and a record vote was requested by Mr. Kelly Five Members sustained the request and the vote follows:

YEAS

1. Mr. Brown
2. Mr. Bowen
3. Mr. Nolan
4. Mr. Baldus
5. Mr. English
6. Mr. Panetta
7. Mr. Glickman
8. Mr. Findley (proxy to Mr. Wampler)
9. Mr. Madigan
10. Mrs. Heckler
11. Mr. Foley
12. Mr. Richmond (proxy to Mr. Foley)
13. Mr. Mr. Weaver (proxy to Mr. Foley)
14. Mr. Harkin
15. Mr. Akaka (proxy to Mr. Foley)
16. Mr. Coelho
17. Mr. Daschle (proxy to Mr. Foley)
18. Mr. de la Garza
19. Mr. Thomas (proxy to Mr. Wampler)
20. Mr. Skelton

NAYS

1. Mr. Huckaby
2. Mr. Stenholm
3. Mr. Wampler
4. Mr. Symms
5. Mr. Kelly
6. Mr. Hagedorn
7. Mr. Hopkins
8. Mr. Sebelius (proxy to Mr. Wampler)
9. Mr. Johnson (proxy to Mr. Wampler)
10. Mr. Grassley (proxy to Mr. Wampler)
11. Mr. Coleman
12. Mr. Marlenee (proxy to Mr. Wampler)
13. Mr. Mathis
14. Mr. Hance

Thus, by a vote of 20 yeas-14 nays, the Panetta amendment to the Kelly amendment was agreed to with 24 Members present.

The previous question was moved on the Kelly amendment, as amended, and by voice vote it was agreed to. Mr. English asked for a record vote and 7 Members sustained the request. The vote follows:

YEAS

1. Mr. de la Garza
2. Mr. Mathis
3. Mr. Bowen
4. Mr. Baldus
5. Mr. Harkin
6. Mr. English
7. Mr. Panetta
8. Mr. Skelton
9. Mr. Huckaby
10. Mr. Glickman
11. Mr. Coelho
12. Mr. Hance
13. Mr. Stenholm
14. Mr. Findley (proxy to Mr. Wampler)
15. Mr. Madigan
16. Mrs. Heckler
17. Mr. Thomas (proxy to Mr. Wampler)
18. Mr. Foley
19. Mr. Jones of N.C. (proxy to Mr. Foley)
20. Mr. Jones, Tenn. (proxy to Mr. Foley)
21. Mr. Rose (proxy to Mr. Foley)
22. Mr. Richmond (proxy to Mr. Foley)
23. Mr. Nolan
24. Mr. Weaver (proxy to Mr. Foley)
25. Mr. Bedell (proxy to Mr. Foley)
26. Mr. Fithian (proxy to Mr. Foley)
27. Mr. Akaka (proxy to Mr. Foley)
28. Mr. Whitley
29. Mr. Daschle (proxy to Mr. Foley)
30. Mr. Anthony (proxy to Mr. Foley)

NAYS

1. Mr. Brown
2. Mr. Wampler
3. Mr. Symms
4. Mr. Kelly
5. Mr. Hagedorn
6. Mr. Coleman
7. Mr. Hopkins
8. Mr. Sebelius (proxy to Mr. Wampler)
9. Mr. Johnson (proxy to Mr. Wampler)
10. Mr. Marlenee (proxy to Mr. Wampler)

Thus, by a rollcall vote of 30 yeas-10 nays, the Kelly amendment, as amended, was agreed to with 27 Members present.

Thursday, December 20, 1979
Full Committee
Open Business Meeting
Food Stamp Act Amendments
H.R. 5907

Mr. Whitley was recognized to resume consideration of his amendment (see minutes of December 18) relative to cross-checking with the Administrator of Veterans Affairs with regard to funds transferred to veterans. Mr. Jeffords offered an amendment (copy attached) to include the Department of Defense and Office of Personnel Management. Mr. Mathis offered a verbal amendment to include "all agencies of the Federal Government upon request", and Mr. Foley suggested language (to be drafted by counsel) along the lines of leaving it to the discretion of the Secretary of Agriculture as to whether an agency's records of transfers of funds would be requested. Discussion occured on the amendment and the three suggested amendments thereto.

Mr. Wampler requested that language be included in the report to ask the Department of Agriculture to place in their annual report their experiences in obtaining the type of information the Whitley amendment would require. There was no objection.

The Chairman announced at 12:02 p.m. the meeting would be adjourned, and contingent upon the House being in session, the Committee would meet at 9:30 a.m. on Friday, December 21.

Peggy Pecore

Peggy Pecore

AMENDMENT TO H.R. 5907

Offered by Mr. Findley

Add a new section at the end of title I reading as follows:

USE OF FUNDS TO INTERFERE WITH FEDERAL ACTIONS

Sec. ___. Section 18(a) of the Food Stamp Act of 1977 is amended by --

(1) inserting "(1)" immediately after the section designation; and

(2) adding a new paragraph (2) at the end thereof reading as follows:

"(2) No funds authorized to be appropriated under this Act or any other Act of Congress shall be used by any person, firm, corporation, group or organization at any time, directly or indirectly, to interfere with or impede the implementation of any provision of this Act or any rule, regulation, or project thereunder, except that this limitation shall not apply to the provision of legal and related assistance in connection with any proceeding or action before any State or Federal agency or court. The President shall insure that this paragraph is complied with by such order or other means as he deems appropriate."

Explanation

The Food Research and Action Center (FRAC) worked actively against the establishment of workfare pilot projects after Congress adopted a measure providing for such pilot projects in the Food Stamp Act of 1977 and after the USDA issued a regulation to provide for applications from State agencies to establish such projects. The media material sent out by FRAC speaks for itself as to its actions. This amendment would limit such activity.

(Excerpted from FRAC Newsletter, January 8, 1979)

For all this, it's anticipated that each workfare participant will work average of between two and five days a month. You can see that these quirements -- if presented effectively to potential sponsors -- should act a discouragement to participation, especially given the few hours labor ey would get. We urge you to take whatever steps appropriate to stay abreast of prime sponsors" or political jurisdictions that request workfare, used to try to stop application or implementation. Here are some suggestions:

1. Initiate negotiations at state and county levels to block any application to be a pilot project. Point out the requirements outlined above that must be met by workfare sponsors. In addition to these, you can explain how workfare will also be burdensome to the State agency and/or local project area. They have added responsibilities for identifying eligible participants, computing and keeping track of the hours to be worked, making referrals to the sponsoring agency, and for conducting workfare non-compliance and subsequent fair hearings.

2. Form coalitions with labor, church groups, client organizations, and sympathetic government officials to try and stop the application process. (Note: The regs require labor organizations to be notified if a project area submits an application.) Such a force of clients and their allies can be used to put pressure on government officials through use of the media, mass actions and other strategies appropriate to your area.

3. If you can't stop the application process, then try to closely monitor it. USDA and Department of Labor have very comprehensive requirements that must be complied with by workfare sponsors and the State agency. There is also a long list of assurances that the project area must make for the administration of the pilot project. Watch this process carefully and make sure the regs are fully complied with.

4. If the worst happens and your area is picked to be a workfare pilot project, then your alternatives are limited to blocking its implementation, or to making sure participants' rights are protected and "due process" is observed at every stage of the project's operation. (If workfare sponsors know you and your group are there to monitor and hassle their operation, they may be less willing to undertake workfare at all.)

We are ready to work with you. Call us if you need help or just to let us know what's going on. We are looking at possible litigation issues around workfare and we may be able to offer more suggestions.

AMENDMENT TO H.R. 5907

Offered by Mr. Jeffords

Add a new section at the end of Title I reading as follows:

"VEHICLE OWNERSHIP BY HANDICAPPED INDIVIDUALS

"Sec. ____. The second sentence of section 5(g) of the Food Stamp Act of 1977 is amended by--

"(1) inserting after the phrase 'other than one used to produce earned income' the following: 'or that is necessary for transportation of a disabled household member'; and

"(2) deleting the phrase 'or to transport disabled household members'."

Explanation

This amendment would exclude from consideration as resources for purposes of food stamp eligibility a licensed vehicle that is necessary for transportation of a disabled member of a household.

AMENDMENT TO H.R. 5907

Offered by Mr. Jeffords

Add a new section at the end of Title I reading as follows:

"CONTINUATION OF CASH-OUT PILOT PROJECTS

"Sec. __. Section 17(b)(1) of the Food Stamp Act of 1977 is amended by adding at the end thereof a new sentence reading as follows:

'Any pilot or experimental project implemented pursuant to this paragraph involving the payment of the value of allotments in the form of cash to eligible households shall be continued until October 1, 1981, if prior to the scheduled termination date of such project legislation is enacted providing for a cash payment to such households in lieu of food stamps to become effective on October 1, 1981.'"

Explanation

This amendment would require the Secretary to continue any pilot cash-out project involving the elderly or SSI recipients until October 1, 1981, if legislation is enacted prior to that time cashing out food stamps for such persons to be effective on that date (the effective date of the cash-out provision in the Social Welfare Reform Amendments of 1979). USDA regulations issued on October 12, 1979, provide that the Department's SSI/Elderly Cash-out project is scheduled to begin on or about April 1, 1980, and will operate for one year. The amendment would assure continuation of cash-out status for those to be covered by the Welfare bill from the end of the pilot project to the effective date of that bill, if enacted.

(4)

AN AMENDMENT TO H.R. 5907 OFFERED BY MR. PANETTA

On page 4, delete lines 17 through 19.

AMENDMENT TO H.R. 5907

OFFERED BY MR. FOLEY

Sec. 12/. Section 16 of the Food Stamp Act of 1977, as amended, is amended by adding at the end thereof the following new subsection:

"(j) Notwithstanding any other provision of law, counsel may be employed and counsel fees, court costs, bail, and other expenses incidental to the defense of officers and employees of the Department of Agriculture may be paid in judicial or administrative proceedings to which such officers and employees have been made parties and which arise directly out of their performance of duties pursuant to this Act.".

AMENDMENT TO H.R. 5907

Offered by Mr. Stenholm

Sec. 121. Section 17 of the Food Stamp Act of 1977, as amended, is amended by adding the following new section:

"(e) The Secretary shall conduct pilot or experimental projects in at least ten project areas involving the use of local review boards of citizens appointed by the Governor of the State to oversee, inspect, and review the operations of the food stamp program in such areas.".

Amendment to H.R. 5907

Offered by Mr. Kelly

Page 19, immediately after line 25, insert the following new section:

"Sec. _____. Section 6(d) of the Food Stamp Act of 1977, as amended, is amended by inserting a new paragraph (4) to read as follows:

"(4) Notwithstanding any other provision of law, a household shall not participate in the food stamp program at any time that any member of such household, not exempt from the work registration requirements of the preceding subsection 1, is on strike as defined in section 501(2) of the Labor Management Relations Act, 1947, because of a labor dispute (other than a lockout) as defined in section 2(9) of the National Labor Relations Act: Provided, That a household shall not lose its eligibility to participate in the food stamp program as a result of one of its members going on strike if the household was eligible for food stamps immediately prior to such strike, but in no case shall the household receive increased benefits under this Act as a result thereof: Provided further, That such ineligibility shall not apply to any household that does not contain a member on strike, if any of its members refuses to accept employment at a plant or site because of a strike or lockout."

Amendment offered by Mr. Panetta to the amendment offered by Mr. Kelly on H.R. 5907.

TO PREVENT INELIGIBLE STRIKERS FROM OBTAINING FOOD STAMPS

"provided further that such ineligibility shall not apply if the household meets the income qualifications, assets requirements, and work registration requirements, as mandated in subsection 6 (i) of this Act."

Amendment offered by Mr. Panetta to the amendment offered by Mr. Kelly on H.R. 5907.

TO PREVENT INELIGIBLE STRIKERS FROM OBTAINING FOOD STAMPS

"provided further that such ineligibility shall not apply if the household meets the income qualifications, assets requirements, and work registration requirements, as mandated in subsection 6 (i) of this Act."

AMENDMENT TO THE WHITLEY AMENDMENT

Offered by Mr. Jeffords

Page 18,

(1) lines 2 and 16 insert immediately after "Secretary of Health, Education and Welfare" as follows:

,Secretary of Defense, Director, Office of Personnel Management

(2) line 8 insert immediately after "Administration" as follows:

Department of Defense, Office of Personnel Management

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date December 27, 1979 (morning)

(Sub) Committee on Cotton

Meeting: Public Field Hearing

Subject: Review of Federal Cotton Program and Cotton Industry

Bill Nos.

The Cotton (Sub) Committee

met in open Session at 10:00 A.M. o'clock, in Room Auditorium
Greenwood High School
Greenwood, Mississippi

The following Members were present:

Mr. Bowen	Mr.	Mr.
Mr. Coelho	Mr.	Mr.
Mr. Jones of Tenn.	Mr.	Mr.
Mr. Hance	Mr.	Mr.
Mr. Stenholm	Mr.	Mr.
Mr. Thomas	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

John Waits, Subcommittee Counsel

Action taken:

Witnesses:

(See attached list)

Statements Filed:

Caleb Davis, III
Chairman
Missouri Farm Bureau Committee
Box 127
Braggadocio, Missouri 63826

1. Frank Mitchener
   Chairman
   Delta Council Farm Policy Committee
   Sumner, Mississippi

   accompanied by:
   B. F. Smith
   Executive Vice President
   Delta Council
   Stoneville, Mississippi

2. C. Hoke Leggett
   President
   National Cotton Council of America
   Hobgood, North Carolina

   accompanied by:
   Earl Sears
   Executive Vice President
   National Cotton Council of America
   Memphis, Tennessee

3. Hugh L. Arant
   President
   Mississippi Farm Bureau Federation
   Jackson, Mississippi

4. L. A. Davidson
   Representative
   American Agricultural Movement in Mississippi
   Indianola, Mississippi

5. Aven Whittington
   Cotton Producer
   Greenwood, Mississippi

6. James H. Sanford, Jr.
   Vice President
   Southern Cotton Growers, Inc.
   Prattville, Alabama

   accompanied by:
   Bob Tucker
   Executive Vice President
   Southern Cotton Growers, Inc.
   Dahlonega, Georgia

7. Ed Scott
   Cotton Producer
   Drew, Mississippi

8. R. D. Fisher
   President
   Mississippi Association of Conservation Districts
   Greenville, Mississippi

Thursday, December 27, 1979
Cotton Subcommittee
Field Hearing, Greenwood, Mississippi
Review of Federal Cotton Program and
Cotton Industry

Representative Bowen, Chairman of the Subcommittee, called the meeting to order and welcomed participants to the cotton marketing center of Greenwood. Noting that this was the first of three such field hearings to be held across the Cotton Belt, he encouraged a wide-ranging discussion on the effectiveness of existing cotton legislation, which expires in 1981.

Following an introduction of and remarks by the other five Members present, testimony was heard from a variety of witnesses on the state of the industry. Many of the witnesses responded directly to Members' questioning.

Chairman Bowen adjourned the morning session at about 12:30 p.m.

John Waits

John Waits

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

Date December 27, 1979 (afternoon)

(Sub) Committee on Cotton

Meeting: Public Field Hearing

Subject: Review of Federal Cotton Program and Cotton Industry

Bill Nos.

The Cotton (Sub) Committee

met in open Session at 2:00 P.M. o'clock, in Room Auditorium
Greenwood High School
Greenwood, Mississippi

The following Members were present:

Mr. Bowen	Mr.	Mr.
Mr. Coelho	Mr.	Mr.
Mr. Jones of Tenn.	Mr.	Mr.
Mr. Hance	Mr.	Mr.
Mr. Stenholm	Mr.	Mr.
Mr. Thomas	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	
Mr.	Mr.	

Staff present:

John Waits, Subcommittee Counsel

Action taken:

Witnesses:

(See attached list)

Statements Filed:

Caleb Davis, III
Chairman
Missouri Farm Bureau Committee
Box 127
Braggadocio, Missouri

1. Dennis Self
   Cotton Producer
   Hamilton, Mississippi

2. Cecil Williams
   Executive Vice President
   Agricultural Council of Arkansas
   West Memphis, Arkansas

   accompanied by:
   George Pugh
   President
   Agricultural Council of Arkansas
   Portland, Arkansas

3. L. D. Knox
   Cotton Producer
   Winnsboro, Louisiana

4. Dr. Rodney Foil
   Director of Agricultural and Forestry
   Experiment Stations
   Mississippi State University
   Starkville, Mississippi

   accompanied by:
   Dr. Louis Wise
   Vice President for Agriculture, Forestry
   and Veterinary Medicine
   Mississippi State University
   Starkville, Mississippi

5. Jack Montgomery
   President
   Southern Cotton Association
   Inverness, Mississippi

   accompanied by:
   Dewell R. Gandy
   Agricultural Economist
   Dunavant Enterprises
   Memphis, Tennessee

   and

   Earle N. Billings
   Executive Vice President
   American Cotton Shippers Association
   Memphis, Tennessee

   and

   Neal P. Gillen
   Vice President and General Counsel
   American Cotton Shippers Association
   Washington, D. C.

6. Trenton Sheffield
   Cotton Producer
   Columbus, Mississippi

7. G. C. Cortright
   Chairman of the Board
   Staple Cotton Cooperative Association
   Rolling Fork, Mississippi

   accompanied by:
   Hank Hodges
   President
   Staple Cotton Cooperative Association
   Greenwood, Mississippi

8. Mrs. Fletcher Clark, Jr.
   Cotton Wife
   Drew, Mississippi

9. Dan Logan, Jr.
   Chairman
   Cotton Advisory Committee
   Louisiana Farm Bureau
   Gilliam, Louisiana

   accompanied by:
   Paul Ransom
   First Vice President
   Louisiana Farm Bureau
   Monroe, Louisiana

Thursday, December 27, 1979
Cotton Subcommittee
Field Hearing, Greenwood, Mississippi
Review of Federal Cotton Program and
Cotton Industry

Chairman Bowen called the afternoon session to order and witnesses continued to be heard on such matters as target price, set aside and loan provisions, the farm-structure issue, export markets, government regulations, and the research and promotion program. After all the witnesses had completed their testimony, there was a brief round of questioning and summation by the Members.

The meeting was then gaveled to a close at approximately 4:15 P.M.

John Waits

John Waits

U.S. House of Representatives
Committee on Agriculture
Washington, D.C. 20515

MINUTES

DATE December 29, 1979

(SUB) COMMITTEE on Cotton

Public Field Hearing

SUBJECT: Review of Federal Cotton Program and Cotton Industry

BILL NOS. .....

The Cotton (Sub)Committee met

in open Session at 9:00 A.M. o'clock, in Room Lubbock Civic Center Lubbock, Texas

The following Members were present:

Mr. Bowen	Mr.	Mr.
Mr. Coelho	Mr.	Mr.
Mr. Hance	Mr.	Mr.
Mr. Stenholm	Mr.	Mr.
Mr. Thomas	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.	Mr.	Mr.
Mr.		

Staff present:

John Waits, Subcommittee Counsel

Action taken:

Witnesses:

(See attached list)

Statements Filed:

1. Joe Unfred
   President
   Plains Cotton Growers
   New Home, Texas

   accompanied by:
   Don Johnson
   Executive Vice President
   Plains Cotton Growers
   Lubbock, Texas

2. Earl Sears
   Executive Vice President
   National Cotton Council of America
   Memphis, Tennessee

3. Charles Wofford
   Executive Director
   Cotton and Grain Producers of
   Lower Rio Grande Valley
   Raymondville, Texas

4. Robert Gibson
   Cotton Producer
   Meadow, Texas

5. L. C. Unfred
   Acting Chairman of the Board of Directors
   Cotton, Incorporated

   and: President
   Plains Cotton Cooperative
   New Home, Texas

6. Mrs. Nita Gibson
   President
   Cotton Pool
   Seminole, Texas

7. Raymond V. Cooper
   First Vice President
   and
   Chairman of the Committee on
   Compresses and Warehouses
   American Cotton Shippers Association
   Dallas, Texas

   and

   Louis Johnson
   Coordinator of the Special Movement Project
   for Texas-Oklahoma Cotton
   Memphis, Tennessee

accompanied by:
H. R. (Bob) Poteet
Executive Vice President and Secretary
Texas Cotton Association
Dallas, Texas

and

Neal P. Gillen
Vice President and General Counsel
American Cotton Shippers Association
Washington, D. C.

8. Gayle Craft
President
Texas Independent Ginner's Association
Lubbock, Texas

accompanied by:
Don Smith
Executive Director
Texas Independent Ginner's Association
Lubbock, Texas

9. James Stair
Representative
American Agricultural Movement
Plainview, Texas

10. L. D. Anderson
Cotton Producer
and
Cotton Board Chairman
Lubbock, Texas

11. A. D. May
President
Rolling Plains Cotton Growers
Stamford, Texas

12. Joe Rankin
Vice President
Texas Farmers Union
Ralls, Texas

13. Oscar Tomlinson
Cotton Producer
Littlefield, Texas

14. Robert Robbins
President
Oklahoma Cotton Improvement Association
Altus, Oklahoma

15. R. C. Cobb
President
Rolling Plains Production Credit Association
Stamford, Texas

16. Dr. Sam Curl
Dean of Agricultural College
Texas Tech University
Lubbock, Texas

17. D. J. Cox
Cotton Producer
Enochs, Texas

18. Wayne Boothe
Cotton Producer
and
Board of Directors Member
Oklahoma Farm Bureau
Cordell, Oklahoma

19. Mrs. June Saylor
Texas President
Women Involved in Farm Economics
Muleshoe, Texas

20. Mel Cherry
Cotton Producer
Lorenzo, Texas

21. Don Hawthorne
President
New Mexico Association of
Farmer Elected Committeemen
Lovington, New Mexico

22. A. Wayne Wyat
Manager
High Plains Underground Water Conservation District
Lubbock, Texas

Saturday, December 29, 1979
Cotton Subcommittee
Field Hearing, Lubbock, Texas
Review of Federal Cotton Program
and Cotton Industry

Representative Bowen, Chairman of the Cotton Subcommittee, called the meeting to order and made opening remarks on the purposes of the hearing.

Testimony was then heard from a number of witnesses, who represented all segments of the industry and addressed a variety of issues bearing on the federal cotton program.

Comments and questions by the other four Members followed. Chairman Bowen concluded by praising the witnesses for their diversity of views and for their contributions to making a strong record from which the Members could draw in considering new cotton legislation in 1981.

The meeting was adjourned at 1:15 P.M.

John Waits

John Waits

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